

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

**REGULAR MEETING
Tuesday, January 19, 2021
9:30 A.M.**

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 Board 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 Zoom App (Video & Audio)</p> <p>https://ocers.zoom.us/j/91092352500</p> <p>Meeting ID: 910 9235 2500 Password: 780224</p> <p>Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.</p>	<p>Join by Telephone (Audio Only)</p> <p>Dial by your location</p> <p>+1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York)</p> <p>Meeting ID: 910 9235 2500 Password: 780224</p>
<p>A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page</p>	

AGENDA

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

CALL MEETING TO ORDER AND ROLL CALL

PUBLIC COMMENTS

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Board; and (2) any matter appearing on the Consent Agenda. 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 Board, 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

All matters on the Consent Agenda are to be approved by one action unless a Board Member requests separate action on a specific item.

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- Eugene Corral
- Luis De Anda
- Adriana Virgen

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes December 14, 2020

Recommendation: Approve minutes.

C-3 REQUEST FOR PROPOSAL – FIDUCIARY COUNSEL

Recommendation: Staff requests the Board approve distribution of a Request for Proposal to initiate a search for fiduciary counsel.

C-4 TWO-MONTH EXTENSION TO CONTRACT WITH REED SMITH LLP (FIDUCIARY COUNSEL)

Recommendation: Staff recommends the Board approve a two-month extension to OCERS’ contract with Reed Smith LLP for fiduciary counsel services.

C-5 MACIAS, GINI & O’CONNELL LLP (MGO) PERFORMANCE REVIEW AND CONTRACT EXTENSION

Recommendation: Approve an amendment to the MGO contract to exercise the one year optional extension for auditing the financial statements of OCERS for the year ending December 31, 2020. The one year extension has a cost not to exceed \$128,011.

DISABILITY/MEMBER BENEFITS AGENDA

9:30 AM

NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF BENEFIT OR DISABILITY RETIREMENT DETERMINATIONS, THE BOARD MAY ADJOURN TO CLOSED SESSION TO DISCUSS MATTERS RELATING TO THE MEMBER’S APPLICATION OR APPEAL, PURSUANT TO GOVERNMENT CODE SECTIONS 54957 OR 54956.9. IF THE MATTER IS A DISABILITY APPLICATION UNDER SECTION 54957, THE MEMBER MAY REQUEST THAT THE DISCUSSION BE IN PUBLIC.

OPEN SESSION

CONSENT ITEMS

All matters on the Consent Agenda are to be approved by one action unless a Board member requires separate action on a specific item. If separate action is requested, the item will be discussed in closed session during agenda item DA-1.

DC-1: JUANITA BRACAMONTES

Deputy Juvenile Correction Officer II, Orange County Probation Department

Recommendation: The Disability Committee recommends that the Board deny service and non-service connected disability retirement due to the member’s failure to cooperate. (Safety Member)

DC-2: ERIC BURNELL

Deputy Juvenile Correctional Officer II, Orange County Probation Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of December 6, 2019. (Safety Member)

DC-3: WALTER CARMONA

Deputy Sheriff II, Orange County Sheriff’s Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of November 16, 2019. (Safety Member)

DC-4: REBECCA CONTRERAS

Supervising Peace Officer Sergeant, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of job causation. (Safety Member)

DC-5: ANGELINA CORTEZ

Deputy Sheriff I, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board deny service and non-service connected disability retirement due to the member's failure to cooperate. (Safety Member)

DC-6: CYNTHIA CURIEL

Firefighter/Paramedic, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of July 23, 2019. (Safety Member)

DC-7: KATHERINA DEGN

Investigator, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 13, 2020. (Safety Member)

DC-8: ERMA JONES

Coach Operator, Orange County Transportation Authority

Recommendation: The Disability Committee recommends that the Board grant non-service connected disability retirement with an effective date of September 29, 2019. (General Member)

DC-9: UYEN LUU

Eligibility Technician, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board deny service and non-service connected disability retirement due to the member's failure to cooperate. (General Member)

DC-10: JOHN MacPHERSON

Lieutenant, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of August 17, 2018. (Safety Member)

DC-11: AARON SCHULTE

Deputy Sheriff II, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 31, 2018. (Safety Member)

CLOSED SESSION

Government Code section 54957

Adjourn to Closed Session under Government Code section 54957 to consider member disability applications and to discuss member medical records submitted in connection therewith. The applicant may waive confidentiality and request his or her disability application to be considered in Open Session.

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

OPEN SESSION

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board's discussion of the item. **Members of the public who wish to provide comment in connection with any matter listed in this agenda may do so by "raising your hand" in the Zoom app, or if joining by telephone, by pressing * 9, at the time the item is called.**

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

**A-2 PROPOSED LEGISLATION TO AMEND GOVERNMENT CODE SECTION 31522.5 REGARDING
BOARD'S AUTHORITY TO APPOINT OCERS PERSONNEL**

Presentation by Steve Delaney, CEO

Recommendation: The Personnel Committee recommends that the Board approve introduction of a legislative bill to amend Government Code section 31522.5 regarding the Board's authority to appoint OCERS personnel.

A-3 EXTENSION OF EMERGENCY PAID SICK LEAVE

Presentation by Cynthia Hockless, Director of Human Resources

Recommendation: Staff recommends that the Board of Retirement approve an extension of Emergency Paid Sick Leave (EPSL) for OCERS Direct employees from January 1, 2021 through June 17, 2021 to include the following:

1. Approve and authorize eligible OCERS Direct employees to use any remaining balances of EPSL granted in 2020 for qualifying Covid-19 related absences; and
2. Grant and authorize eligible OCERS Direct employees to use an additional 40 hours of EPSL for Covid-19 related absences.

A-4 SACRS BOARD OF DIRECTORS ELECTIONS 2021-2022

Presentation by Gina M. Ratto, General Counsel

Recommendation: Identify one or more nominees for the SACRS Board of Directors election to be conducted on May 14, 2021; and direct staff to submit the nomination(s) to the SACRS Nominating Committee on or before March 1, 2021.

INFORMATION ITEMS

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

Presentations

I-1 PENSION OBLIGATION BONDS – AN OVERVIEW

Presentation by Paul Angelo and Todd Tauzer, Segal Consulting

I-2 OCERS INNOVATIONS/PROCESS IMPROVEMENTS AND EMPLOYEE STAFF AWARDS

Presentation by Steve Delaney, Chief Executive Officer, OCERS

I-3 AMENDMENTS TO THE COUNTY EMPLOYEES RETIREMENT LAW (CERL) EFFECTIVE JANUARY 1, 2021

Presentation by Gina Ratto, General Counsel, OCERS

I-4 UPDATE ON STAFF'S PROGRESS IN RESPONSE TO *Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al*

Presentation by Suzanne Jenike, Assistant CEO of External Operations and Steve Delaney, Chief Executive Officer, OCERS

COVID-19 UPDATE

I-5 *Presentation by Steve Delaney, Chief Executive Officer, OCERS*

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Board requests discussion.

- R-1 MEMBER MATERIALS DISTRIBUTED**
Written Report

Application Notices January 19, 2021
Death Notices January 19, 2021
- R-2 COMMITTEE MEETING MINUTES**
- None
- R-3 CEO FUTURE AGENDAS AND 2021 OCERS BOARD WORK PLAN**
Written Report
- R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**
Written Report
- R-5 BOARD COMMUNICATIONS**
Written Report
- R-6 2020 OCERS YEAR IN REVIEW: COMMUNICATION PLAN**
Written Report
- R-7 DISABILITY RETIREMENT STATISTICS – 2020 REPORT**
Written Report
- R-8 2020 FORM 700 DESIGNATED FILERS LIST AND FACT SHEET**
Written Report
- R-9 BOARD COMMUNICATIONS POLICY FACT SHEET**
Written Report
- R-10 FOURTH QUARTER 2020 EDUCATION AND TRAVEL EXPENSE REPORT**
Written Report
- R-11 OCERS TRUSTEE EDUCATION SUMMARY REPORT**
Written Report
- R-12 SAFETY ELECTION UPDATE**
Written Report
- R-13 CONTRACT STATUS FOR NAMED SERVICE PROVIDERS**
Written Report
- R-14 PRIVATE EQUITY CONSULTANT PERFORMANCE REVIEW – AKSIA LLC (AKA: TORREYCOVE)**
Written Report
- R-15 REAL ESTATE CONSULTANT PERFORMANCE REVIEW – THE TOWNSEND GROUP**
Written Report

Orange County Employees Retirement System
January 19, 2021
Regular Board Meeting – Agenda

Page 8

BOARD MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT: (IN MEMORY OF THE ACTIVE MEMBERS, RETIRED MEMBERS, AND SURVIVING SPOUSES WHO PASSED AWAY THIS PAST MONTH)

NOTICE OF NEXT MEETINGS

DISABILITY COMMITTEE MEETING

February 16, 2021

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

February 16, 2021

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

INVESTMENT COMMITTEE MEETING

February 24, 2021

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

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

AVAILABILITY OF AGENDA MATERIALS - Documents and other materials that are non-exempt public records distributed to all or a majority of the members of the OCERS Board or Committee of the Board in connection with a matter subject to discussion or consideration at an open meeting of the Board or Committee of the Board are available at the OCERS' website: <https://www.ocers.org/board-committee-meetings>. If such materials are distributed to members of the Board or Committee of the Board less than 72 hours prior to the meeting, they will be made available on the OCERS' website at the same time as they are distributed to the Board or Committee members. Non-exempt materials distributed during an open meeting of the Board or Committee of the Board will be made available on the OCERS' website as soon as practicable and will be available promptly upon request.

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at adminsupport@ocers.org or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours' notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – LUIS DE ANDA**

Recommendation

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

Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective November 20, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the DRO, the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

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

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



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

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

Personal and Confidential

January 5, 2021

Ms. Adina Bercaru
Member Services Manager
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701-3101

**Re: Orange County Employees Retirement System
Option 4 Calculation for Luis R. De Anda**

Dear Adina:

Pursuant to your request, we have determined the Option 4 benefits payable to Luis R. De Anda and his ex-spouse based on the unmodified benefit and other information provided in the System’s request dated December 16, 2020.

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

Member’s Date of Birth	
Ex-Spouse’s Date of Birth	
Date of Retirement	November 20, 2020
Plan of Membership	General Plan B and Safety Plan F
Monthly Unmodified Benefit	Plan B: \$ 81.69 Plan F: <u>10,864.64</u> Total: \$10,946.33
Ex-Spouse’s Share of Monthly Unmodified Benefit	42.85%
Retirement Type	Service Retirement

Ms. Adina Bercaru
January 5, 2021
Page 2

We calculated the adjustment to the member's unmodified benefit to provide a 42.85% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

	Payable while the Member is Alive	Payable After the Member's Death
Monthly benefit payable to member		
Plan B Annuity:	\$10.76	
Plan B Pension:	35.93	
Plan F Annuity:	1,011.09	
Plan F Pension:	<u>5,198.05</u>	
Total:	\$6,255.83	\$0.00
Monthly benefit payable to ex-spouse ¹	\$4,336.17	\$4,336.17

ACTUARIAL ASSUMPTIONS

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

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016 set back four years, weighted 80% male and 20% female for members.²

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016, weighted 20% male and 80% female for beneficiaries.

The actuarial calculations contained in this letter were prepared under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary, who is a member of the American Academy of Actuaries and who meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

¹ This is equal to 42.85% of the member's unmodified benefit (i.e., 42.85% * \$10,946.33 or \$4,690.50) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

² Since the member last worked as a Safety member, we used Safety assumptions in determining optional benefits even for benefits paid from the General Plan.

Ms. Adina Bercaru
January 5, 2021
Page 3

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

Sincerely,



Molly Calcagno, ASA, MAAA, EA
Actuary

JY/hy



January 8, 2021

Luis R. De Anda

Re: Retirement Election Confirmation - Option 4

Dear Mr. DE ANDA:

You have elected Option 4 as your retirement option. This option will provide a 42.85% of your monthly benefit, for the life of the benefit, to:

CARMEN DE ANDA

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

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

I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 42.85% continuance to CARMEN DE ANDA.

L. De Anda 1-8-2021
Member Signature/Date

Sincerely,

Edina Beraru
Member Services Manager

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM 2223 E. Wellington Avenue, Suite 100, Santa Ana, CA 92707
Telephone (714) 558-6200 www.ocers.org



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – EUGENE CORRAL**

Recommendation

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

Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective November 6, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the DRO, the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

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

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



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

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Personal and Confidential

January 6, 2021

Ms. Adina Bercaru
Member Services Manager
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701-3101

**Re: Orange County Employees Retirement System (OCERS)
Option 4 Calculation for Eugene U. Corral**

Dear Adina:

Pursuant to your request, we have determined the Option 4 benefits payable to Eugene U. Corral and his ex-spouse based on the unmodified benefit and other information provided in the System's request dated December 16, 2020.

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

Member's Date of Birth	
Ex-Spouse's Date of Birth	
Date of Retirement	November 6, 2020
Plan of Membership	General Plan J
Monthly Unmodified Benefit	\$3,096.33
Ex-Spouse's Share of Monthly Unmodified Benefit	23.76%
Retirement Type	Service Retirement

Ms. Adina Bercaru
January 6, 2021
Page 2

We calculated the adjustment to the member's unmodified benefit to provide a 23.76% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

	Payable while the Member is Alive	Payable After the Member's Death
Monthly benefit payable to member		
Annuity:	\$959.17	
Pension:	<u>1,401.47</u>	
Total:	\$2,360.64	\$0.00
Monthly benefit payable to ex-spouse ¹	\$644.01	\$644.01

Actuarial Assumptions

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

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016, weighted 40% male and 60% female for members.

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016, weighted 60% male and 40% female for beneficiaries.

The actuarial calculations contained in this letter were prepared under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary, who is a member of the American Academy of Actuaries and who meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

¹ This is equal to 23.76% of the member's unmodified benefit (i.e., 23.76% * \$3,096.33 or \$735.69) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse predeceases the member.

Ms. Adina Bercaru
January 6, 2021
Page 3

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

Sincerely,

A handwritten signature in blue ink that reads "Molly Calcagno".

Molly Calcagno, ASA, MAAA, EA
Actuary

JY/gxk

Eugene U. Corral

Re: Retirement Election Confirmation – Option 4

Dear Mr. CORRAL:

You have elected Option 4 as your retirement option. This option will provide a 23.76% of your monthly benefit, for the life of the benefit, to:

PENNY CORRAL

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

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

I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 23.76% continuance to PENNY CORRAL.

Eugene Corral 1/11/21.
Member Signature/Date

Sincerely,



Adina Beraru
Member Services Manager

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM 2223 E. Wellington Avenue, Suite 100, Santa Ana, CA 92701
Telephone (714) 558-6200 www.ocers.org



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – ADRIANA VIRGEN**

Recommendation

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

Background/Discussion

This member elected Option 4 as the benefit payment option for her service retirement allowance as required by her Domestic Relations Order (DRO), effective November 13, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the DRO, the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

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

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



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

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San Francisco, CA 94105-6147
segalco.com

Personal and Confidential

January 6, 2021

Ms. Adina Bercaru
Member Services Manager
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701-3101

**Re: Orange County Employees Retirement System
Option 4 Calculation for Adriana M. Virgen**

Dear Adina:

Pursuant to your request, we have determined the Option 4 benefits payable to Adriana M. Virgen and her ex-spouse based on the unmodified benefit and other information provided in the System’s request dated December 16, 2020.

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

Member’s Date of Birth	
Ex-Spouse’s Date of Birth	
Date of Retirement	November 13, 2020
Plan of Membership	Safety Plan F
Monthly Unmodified Benefit	\$6,487.08
Ex-Spouse’s Share of Monthly Unmodified Benefit	26.78%
Retirement Type	Service Retirement

Ms. Adina Bercaru
January 6, 2021
Page 2

We calculated the adjustment to the member's unmodified benefit to provide a 26.78% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

	Payable while the Member is Alive	Payable After the Member's Death
Monthly benefit payable to member		
Annuity:	\$942.92	
Pension:	<u>3,806.92</u>	
Total:	\$4,749.84	\$0.00
Monthly benefit payable to ex-spouse ¹	\$1,608.31	\$1,608.31

Actuarial Assumptions

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

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016 set back four years, weighted 80% male and 20% female for members.

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016, weighted 20% male and 80% female for beneficiaries.

The actuarial calculations contained in this letter were prepared under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary, who is a member of the American Academy of Actuaries and who meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

¹ This is equal to 26.78% of the member's unmodified benefit (i.e., 26.78% * \$6,487.08 or \$1,737.24) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse predeceases the member.

Ms. Adina Bercaru
January 6, 2021
Page 3

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

Sincerely,

A handwritten signature in blue ink that reads "Molly Calcagno".

Molly Calcagno, ASA, MAAA, EA
Actuary

JY/gxk



January 8, 2021

Adriana M. Virgen

Re: Retirement Election Confirmation – Option 4

Dear Ms. VIRGEN:

You have elected Option 4 as your retirement option. This option will provide a 26.78% of your monthly benefit, for the life of the benefit, to:

EDDIE FLETCHER

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

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

I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide 26.78% continuance to EDDIE FLETCHER.

Member Signature/Date

Adriana M. Virgen 1/11/21

Sincerely,

Adina Berbaru
Member Services Manager

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

**REGULAR MEETING
Monday, December 14, 2020
9:30 a.m.**

MINUTES

Chair Hilton called the meeting to order at 9:37 a.m.

Cammy Torres administered the Roll Call attendance.

Attendance was as follows:

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

Roger Hilton, Chair; Shawn Dewane, Vice-Chair; Shari Freidenrich, Adele Tagalao, Charles Packard, Chris Prevatt, Arthur Hidalgo, Frank Eley, Jeremy Vallone, and Wayne Lindholm

Also Present via Zoom:

Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Gina Ratto, General Counsel; Jenny Sadoski, Director of Information Technology, Anthony Beltran, Visual Technician; Cammy Torres; Recording Secretary

Guests via Zoom:

Harvey Leiderman, ReedSmith

CONSENT AGENDA

MOTION by Dewane, **seconded** by Prevatt, to approve recommendations on all of the following items on the Consent Agenda:

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- Juan Flores

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

November 16, 2020

Recommendation: Approve minutes.

The motion passed **unanimously**.

CONSENT ITEMS: DISABILITY/MEMBER BENEFITS AGENDA

OPEN SESSION

CONSENT ITEMS

MOTION by Dewane, **seconded** by Lindholm, to approve staff's recommendation on all of the following items on the Disability/Member Benefits Consent Agenda:

DC-1: PETER DACQUISTO

Firefighter, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of July 17, 2020. (Safety Member)

DC-2: STEVEN FLOREN

Firefighter/Paramedic, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of February 4, 2020. (Safety Member)

DC-3: KEVIN McDONALD

Senior Social Worker, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with and effective date of July 6, 2019. (General Member)

DC-4: DEBBIE PHUNG

Coach Operator, Orange County Transportation Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of January 22, 2017. (General Member)

DC-5: WILLIAM VALDEZ

Fire Captain, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 30, 2018. (Safety Member)

DC-6: VANESSA HAMLIN

Social Worker II, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board grant non-service connected disability retirement with an effective date of February 16, 2018. (General Member)

The motion passed **unanimously**.

ACTION ITEMS:

DA-1: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA
N/A

ACTION ITEMS

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

A-2 ELECTION OF OCERS BOARD VICE-CHAIR
Presentation by Steve Delaney, Chief Executive Officer, OCERS

Recommendation: Elect a new OCERS Board Vice-Chair for calendar year 2021.

MOTION by Hilton, **seconded** by Prevatt to elect Mr. Eley as the OCERS Regular Board Meeting Vice Chairman for the calendar year 2021.

The motion passed **unanimously**.

INFORMATION ITEMS

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

Presentations

I-1 OCERS 75TH ANNIVERSARY PROCLAMATION

Congressman Lou Correa greeted the OCERS Board, congratulated and presented OCERS with its 75th anniversary proclamation.

Congresswomen Katie Porter also congratulated OCERS on its 75th anniversary and presented OCERS with a Proclamation.

Assembly member elect Steel was unable to attend the meeting but sent a “huge congratulations” via her executive assistant on OCERS 75th Anniversary.

I-2 RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY – ISSUES UPDATE

Presentation by Linda Robinson and Doug Storm, Co-Presidents, REAOC

Linda Robinson and Doug Storm, REAOC co-presidents, provided their yearly update and explained the challenges faced by retirees in 2020 especially with the current pandemic. They also thanked OCERS staff for their services on behalf of retired members.

*The Board recessed for break at 10:17 a.m.
The Board reconvened from break at 10:31 a.m.*

Ms. Torres administered the roll call. All board members including Mr. Vallone were present.

I-3 UPDATE ON STAFFS PROGRESS IN RESPONSE TO THE ALAMEDA COUNTY DECISION IN *Alameda County Deputy Sheriff’s Assoc. et al., v. Alameda County Employees’ Retirement Assn., et al*
Presentation by Suzanne Jenike and Steve Delaney

Ms. Jenike briefly updated the board on staff’s progress in response to the Alameda County decision. Mr. Delaney stated that staff will have a written report for the Board at the January board meeting with additional updates followed by a presentation at the February board meeting.

I-4 COVID-19 UPDATE
Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney presented the COVID-19 update for the month of December. He informed the Board that while OCERS staff continue to work remotely until the end of December, in line with current County Health Department advice emphasizing telework wherever possible, that decision is revisited by himself and the Crisis Management Team (CMT) every month. Mr. Delaney further stated that he would be meeting with the CMT the following day, and in light of increasing illnesses he would not be surprised if OCERS remains teleworking at least through to the end January 2021. He also stated that he has no information regarding the COVID-19 vaccine and how that will impact staff.

WRITTEN REPORTS

None of the written reports were pulled for discussion.

R-1 MEMBER MATERIALS DISTRIBUTED
Written Report

Application Notices December 14, 2020
Death Notices December 14, 2020

R-2 COMMITTEE MEETING MINUTES
- None

R-3 CEO FUTURE AGENDAS AND 2021 OCERS BOARD WORK PLAN
Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 2021 OCERS BOARD COMMITTEE ASSIGNMENTS

Written Report

R-7 GOVERNANCE COMMITTEE REPORT – STATUS OF COMMITTEE’S REVIEW OF CHARTERS AND BOARD POLICIES IN 2020

Written Report

The Board adjourned into Closed Session at 10:36 a.m.

CLOSED SESSION ITEMS

**E-1 CONFERENCE REGARDING SIGNIFICANT EXPOSURE TO LITIGATION (ONE MATTER)
(GOVERNMENT CODE SECTION 54956.9)**

Adjourn pursuant to Government Code section 54956.9(d)(2)

Recommendation: Take appropriate action.

OPEN SESSION ITEMS

The Board reconvened in Open Session at 11:37 a.m.

Mr. Hilton reported that there was no reportable action taken by the Board in Closed Session.

BOARD MEMBER COMMENTS

Chair Hilton thanked the Board and staff for a great year serving as the 2020 OCERS Chair.

Mr. Eley, Mr. Dewane and Ms. Freidenrich thanked Chair Hilton on a job well done serving as OCERS 2020 Chair.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

Mr. Delaney informed the Board of the upcoming RFP that will come to the Board in January in extending the Reed Smith contract.

Steve also informed the Board on the new “Happy 100 Birthday” project that OCERS will implement this month. On behalf of OCERS Board Chair and CEO Delaney, each retired member who will celebrate their 100th birthday will receive a gift.

COUNSEL COMMENTS

N/A

Orange County Employees Retirement System
December 14, 2020
Regular Board Meeting – Minutes

Page 6

Chair Hilton adjourned in memory of the active members, retired members, and surviving spouses who passed away during the past month. The meeting **ADJOURNED** at 11:48 a.m.

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Roger Hilton
Chairman



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: REQUEST FOR PROPOSAL – FIDUCIARY COUNSEL

Recommendation

Staff requests the Board approve distribution of a Request for Proposal to initiate a search for fiduciary counsel.

Background/Discussion

Fiduciary counsel is designated as a “Named Service Provider” in the Board’s Procurement and Contracting Policy (Policy). Under the Policy, all contracts with Named Service Providers are required to be for an initial term of three years, and may be extended by the Board for up to three additional years, for a total maximum term of six years. Prior to the expiration of the final extension of the contract, a competitive search and selection process for the Named Service Provider must be conducted.

OCERS last released an RFP for fiduciary counsel in October 2014. The RFP resulted in the selection by the Board of the law firm of Reed Smith to serve as fiduciary counsel. OCERS entered into a contract with Reed Smith with an effective date of April 1, 2015. A final extension of the term of the contract was approved by the Board in April 2018. The contract with Reed Smith expires on April 30, 2021 (or June 30, 2021, if the Board approves a two-month extension to the contract at the Board’s January 19, 2021 meeting).

If the Board approves distribution of an RFP for fiduciary counsel, staff is prepared to release an RFP at the end of this week, with the following proposed schedule:

Deliverable	Date	Time
Release of RFP	Friday, January 22, 2021	5:00 pm, PT
RFP Questions Deadline	Friday, February 5, 2021	5:00 pm, PT
RFP Answers Posted	Friday, February 19, 2021	5:00 pm, PT
RFP Submission Deadline	Friday, March 5, 2021	5:00 pm, PT
OCERS Review of RFP Submissions	March – April 2021 (estimated)	
Selection of Finalists	April 2021 (estimated)	
Interviews of Finalists	To be determined	
Service Award [or recommendation to the Board]	To be determined	

In accordance with the Policy, Staff proposes to review and evaluate all timely proposals that meet the minimum qualifications set forth in the RFP based on the following evaluation criteria listed in their order of priority:

1. Quality and depth (i.e., bench strength) of the team of lawyers proposed for the contract.
2. Expertise and experience of each lawyer proposed for the contract.
3. Pricing and value.
4. The merits of the proposal.
5. Information provided by references.
6. Other factors OCERS determines to be relevant.

Based on staff's evaluation of the proposals, staff will recommend a finalist or a list of finalists to the Board. The Board or a committee designated by the Board will interview the recommended candidate or candidates; and the Board will select the candidate to be awarded the contract.

Submitted by:



Gina M. Ratto
General Counsel



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: TWO-MONTH EXTENSION TO CONTRACT WITH REED SMITH LLP (FIDUCIARY COUNSEL)

Recommendation

Staff recommends the Board approve a two-month extension to OCERS' contract with Reed Smith LLP for fiduciary counsel services.

Background/Discussion

OCERS' contract with Reed Smith LLP for fiduciary counsel services commenced on April 1, 2015. In April 2018, the Board reviewed the contract and approved a final extension of the contract for a three year period. The contract is set to expire on April 30, 2021. In accordance with the Board's Procurement and Contracting Policy, OCERS must now conduct a competitive search and selection process for fiduciary counsel.

If the Board approves (in Agenda Item C-3) distribution of an RFP for fiduciary counsel services, staff is prepared to release an RFP on January 22, 2021. The proposed schedule for the RFP is as follows:

Deliverable	Date	Time
Release of RFP	Friday, January 22, 2021	5:00 pm, PT
RFP Questions Deadline	Friday, February 5, 2021	5:00 pm, PT
RFP Answers Posted	Friday, February 19, 2021	5:00 pm, PT
RFP Submission Deadline	Friday, March 5, 2021	5:00 pm, PT
OCERS Review of RFP Submissions	March – April 2021 (estimated)	
Selection of Finalists	April 2021 (estimated)	
Interviews of Finalists	To be determined	
Service Award [or recommendation to the Board]	To be determined	

With finalists not selected until April 2021, it is very unlikely that interviews will be conducted, and that a contract will be awarded, negotiated and executed by the end of April when the Reed Smith contract expires.

At OCERS' request, Reed Smith has agreed to honour the fee schedule included in the existing contract, without increase, through June 30, 2021. Accordingly, staff requests a two-month extension to the fiduciary counsel services contract with Reed Smith to afford OCERS an additional two months in which to conduct the RFP, and award and enter into a new contract for fiduciary counsel services.

Submitted by:



Gina M. Ratto
General Counsel



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator, Brenda Shott Assistant CEO Finance and Internal Operations
SUBJECT: MACIAS, GINI & O'CONNELL LLP (MGO) PERFORMANCE REVIEW AND CONTRACT EXTENSION

Recommendation

Approve the Audit Committee recommendation for an amendment to the MGO contract to exercise the one-year optional extension for auditing services for the year ending December 31, 2020. The one year extension has a cost not to exceed \$128,011.

Background

Macias, Gini & O'Connell LLP (MGO) is an international professional services firm that provides independent audit and assurance services to OCERS. As a result of a competitive procurement process, OCERS contracted with MGO in July 2010 to provide financial auditing services for the plan years ending 2010 through 2014. At the conclusion of the 2014 audit, OCERS conducted another request for proposals for auditing services. At the conclusion of the RFP process, the Audit Committee selected MGO to continue to provide financial auditing services for the plan years ending 2015 through 2019 with an option to extend the contract for one additional year to cover the audit for the plan year ending in 2020. At the time the contract was negotiated, fees for the optional year were also included in the schedule. The agreed upon fees were as follows:

Year Ended	Total Financial Statements	GASB 68	Total Fees
2015	\$102,599	\$17,359	\$119,958
2016	\$111,015	\$17,359	\$128,374
2017	\$106,722	\$17,512	\$124,234
2018	\$107,808	\$17,685	\$125,493
2019	\$108,894	\$17,858	\$126,752
2020 (optional)	\$109,980	\$18,031	\$128,011

Per the Audit Committee Charter, the Audit Committee is delegated the responsibility for oversight of the financial auditors as follows:



Memorandum

Conduct the solicitation for the financial auditor, including without limitation, approving the Request for Proposals or other solicitation vehicle, reviewing candidate qualifications and conducting interviews and recommend one or more finalists to the Board for appointment.

At the December 17, 2020 Audit Committee meeting, the Audit Committee approved exercising the one-year option to extend the MGO contract. The final approval by the Board for exercising the option to extend the MGO contract for one year has been determined necessary based on the Audit Committee's authority as noted above.

Discussion

1. Performance Review Guidelines

According to the Procurement & Contracting Policy (Section II.D., page 5), contracted service providers need to have a performance review conducted every three years.

"The performance of every contracted provider will be reviewed at least every three years."

2. Contracts with Named Service Providers

The performance of Named Services Providers (as defined in the Procurement & Contracting Policy (Section V.A., page 8) will be solicited from and reported to the Board of Retirement (Section V.C.2, page 9).

"Performance reviews of Named Service Providers will include opinions solicited from Board of Retirement or designated sub-committee members, and/or selected staff members. The results of the review will be summarized and reported to the Board of Retirement."

3. Review of the Financial Auditor - MGO

Pursuant to the above referenced policies, a performance survey was conducted for Macias, Gini & O'Connell (aka "MGO"), during May and June of 2020. MGO provides independent financial statement auditing services. The notes below summarize the results:

- There was a 90% response rate for this survey. Thank you everybody that provided a response.
- MGO personnel are extremely knowledgeable and easy to work with.
- MGO is extremely reliable and is responsive to requests and inquiries.
- MGO is also effective in guiding the Board and OCERS' staff members through decisions.
- The overall performance of rating for MGO is very high with the majority of those surveyed rating MGO as an "A".
- At the December 17, 2020 Audit Committee meeting, the Audit Committee approved and recommended the Board approve to exercise the one-year option to extend the MGO contract.



Memorandum

4. *Performance Review Action Item(s)*

- There are no corrective action steps that need to be taken due to this review.
- The contract with MGO was effective February 19, 2016, and has a set expiration date of December 31, 2020. The contract has a one year option to extend to include an audit for the period ending December 31, 2020.
- It is recommended to exercise the one-year option to extend the MGO contract.
- An RFP for independent auditing services will be conducted at the conclusion of the 2020 audit.

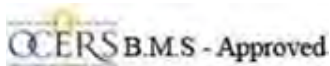
Attachment:

Draft Letter of Engagement

Submitted by:

Jim Doezie

Contracts, Risk and Performance Administrator



Brenda Shott

Assistant CEO, Finance and Internal Operations

December 18, 2020

To the Board of Retirement of
the Orange County Employees Retirement System
Santa Ana, California

The following represents our understanding of the services we will provide Orange County Employees Retirement System (OCERS).

You have requested that we audit the financial statements of OCERS and the related notes to the financial statements, as of December 31, 2020, and for the year then ended and the related notes, which collectively comprise OCERS' basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on those basic financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis and schedules related to the pension plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Schedule of Changes in Net Pension Liability of Participating Employers
- Schedule of Investment Returns
- Schedule of Employer Contributions
- Significant Factors Affecting Trends in Actuarial Information – Pension Plan

Supplementary information other than RSI will accompany OCERS's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Schedule of Contributions
- Schedule of Administrative Expenses
- Schedule of Investment Expenses
- Schedule of Payments for Professional Services

Also, the document we submit to you will include the following other additional information that *will not* be subjected to the auditing procedures applied in our audit of the basic financial statements:

- Introductory Section
- Investment Section
- Actuarial Section
- Statistical Section

In addition to our reports on the above-mentioned financial statements, we will also issue the following types of reports:

- Independent auditor's report in accordance with Government Auditing Standards
- Report on required communications to those charged with governance in accordance with AU-C 260
- Management report of recommendations to improve managerial or operational effectiveness and efficiency, including certain matters that are not considered to be significant deficiencies.
- Independent auditor's report on the total for all entities and for each individual employer of the rows titled deferred outflows of resources, deferred inflows of resources, net pension liability (asset) as of December 31, 2019, net pension liability (asset) as of December 31, 2020, and pension expense included in the accompanying Schedule of Pension Amounts by Employer (the Schedule) of the Orange County Employees Retirement System (OCERS) Cost-Sharing Multiple-Employer Pension Plan as of and for the year ended December 31, 2015, and the related notes.

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's

internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of OCERS' compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that [*management and, when appropriate, those charged with governance*] acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the entity's auditor;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;

- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.¹

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

We will not assume management responsibilities on behalf of OCERS. However, we will provide advice and recommendations to assist management of OCERS in performing its responsibilities.

OCERS' management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Reporting

We will issue a written report upon completion of our audit of OCERS' basic financial statements. Our report will be addressed to the governing body of OCERS. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

We will also issue a written report upon completion of our audit of the Schedule of Pension Amounts by Employer of the Orange County Employees Retirement System (OCERS) Cost-Sharing Multiple-Employer Pension Plan. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing.

You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing and Fees

We expect to begin our audit on approximately April 5, 2021, and to issue our reports no later than June 4, 2021.

David Bullock is the engagement partner for the audit services specified in this letter. His responsibilities include supervising services performed by Macias Gini & O'Connell LLP (MGO) as part of this engagement and signing or authorizing another qualified firm representative to sign the audit reports.

Our fees are based on the amount of time required at various levels of responsibility. We estimate that our fee for the audit will be \$128,011. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The audit documentation for this engagement is the property of MGO and constitutes confidential information. However, we may be requested to make certain audit documentation available to the California State Controller's Office or other regulatory body pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of MGO's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to California State Controller's Office or regulatory body. The California State Controller's Office or other regulatory body may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the Board of Retirement the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files

Engagement with MGO Affiliates

If you have or expect to engage an affiliate of Macias Gini & O'Connell LLP (MGO) (see list of affiliates below) to perform services during the audit and professional engagement period (as defined below), you must notify MGO prior to entering into such engagement with the MGO affiliate. In addition, prior to signing this engagement letter, you must notify MGO of any service an MGO affiliate has performed prior to the audit and professional engagement period in order for MGO to ensure our independence in relation to this engagement. You will also be required to provide such representation within the management representation letter prior to the issuance of our report.

Audit and professional engagement period includes both:

- i. The period covered by any financial statements being audited or reviewed (the "audit period"); and
- ii. The period of the engagement to audit or review the audit client's financial statements or to prepare a report to be issued (the "professional engagement period"):
 - a. The professional engagement period begins when MGO either signs an initial engagement letter (or other agreement to review or audit a client's financial statements) or begins audit, review, or attest procedures, whichever is first; and
 - b. The professional engagement period ends when the audit client or MGO terminate the engagement and the audit client is no longer a client of MGO.

MGO Affiliates:

- MGO Group LLC
- MGO Realty Advisors, Inc.
- MGO India Private Limited
- MGO Private Wealth, LLC
- MGO Technology Group, LLC
- MGO Insurance Services, LLC
- Cresta Management Services, LLC
- ELLO LLC
- ELLO Capital, LLC

- ELLO Advisors, LLC
- Fiorello, LLC
- IntelliBridge Partners LLC

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audits of the basic financial statements and related services including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

RESPONSE:

This letter correctly sets forth our understanding. In addition I have read the attached Terms and Conditions, and understand and agree to its terms. I am authorized to sign the Engagement Letter on behalf of the Orange County Employees Retirement System.

Acknowledged and agreed on behalf of the Orange County Employees Retirement System

By: _____

Title: _____

Date: _____

Macias Gini & O'Connell LLP
Terms and Conditions

These Terms and Conditions form part of the Engagement Letter under which Macias Gini & O'Connell LLP (MGO) will provide professional services to you (Client), as further described in the Engagement Letter to which this is attached. By signing the Engagement Letter, you agree to be bound by these Terms and Conditions. If you are using the services on behalf of a business, you represent, warrant, and agree that you have the authority to bind that business or entity to these terms and any policies referenced herein, including but not limited to those terms that limit MGO's liability, and require mediation and/or arbitration for potential legal disputes.

1. Dispute Resolution and Time Limitation on Claims

If any dispute arises among the parties hereto under the Engagement Letter, including these Terms and Conditions, or any claim related to a claim concerning the services provided for under this agreement or the fees charged to the extent they exceed \$25,000, the parties agree to discuss the dispute, and, if necessary, to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Rules for Professional Accounting and Related Services Disputes, or JAMS, or ADR Services, Inc. (ADR), before filing a complaint or otherwise resorting to litigation or arbitration. The parties further agree the mediation will take place at an AAA or other service provider location in the county in which the MGO office that provided the services under this agreement is located. Each party shall be responsible for its own mediation expenses, and shall share equally in the mediator's fees and expenses.

You and MGO agree that any dispute over fees charged by MGO, but only if the disputed fees are in excess of \$25,000, which cannot be resolved through the mediation process described above, will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the AAA, or JAMS or ADR, except that under all circumstances the arbitrator must follow the laws of the State in which the MGO office that provided the services under this agreement is located. The parties may mutually agree to an alternative arbitration service provider (e.g., JAMS or ADR), subject to the same requirements as those provided for at the AAA. Such arbitration shall be binding and final. THE PARTIES UNDERSTAND THAT, BY AGREEING TO ARBITRATE ALL FEE DISPUTES, EACH PARTY IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BY A JUDGE OR JURY OR COURT TRIAL AND INSTEAD ARE ACCEPTING THE USE OF BINDING, NON-JUDICIAL ARBITRATION FOR RESOLUTION. Each party will bear its own costs of arbitration and both parties shall share equally the costs of the arbitrator(s).

If the parties cannot resolve their dispute, excluding any dispute over fees, through mediation, either party may pursue action in a State Court of competent jurisdiction in which the MGO office that provided the services under this Engagement Letter is located. Each party agrees that notwithstanding any applicable statute of limitations, any claim arising out of or related to this Engagement Letter must be filed within one (1) year after the party first knows of or has reason to know the facts underlying its claim or within two (2) years following the completion of the services provided for under this agreement, whichever is shorter. This paragraph may shorten, but in no event extend, any period of limitation on actions otherwise provided by applicable law.

2. Limitation on Damages and Liability

Unless otherwise prohibited by law or applicable professional standard, you agree that MGO and its personnel shall not be liable to you for any claims, liabilities, or expenses, whether in contract, in tort, at law, or in equity, arising out of or relating to MGO's failure to meet its obligations under this Engagement Letter, for an aggregate amount in excess of the amount of MGO's fees actually paid to it under this Engagement Letter. Unless otherwise prohibited by law or applicable professional standard, in no event shall MGO or its personnel be liable for loss of profits, business opportunity, or any consequential, special, indirect, incidental, punitive, or exemplary damages relating to this engagement. It is acknowledged by the parties that the provisions of this Engagement Letter agreement, including the limitation on damages, have been negotiated at arms' length. This limitation on damages provision shall apply to the fullest extent of the law.

We rely in good faith on all information, assumptions, procedures and decisions communicated to us by you, your employees or your representatives, and we will not be responsible for any loss or other obligation arising from our reliance. Furthermore, the procedures we will perform in our engagement will be heavily influenced by, and dependent upon the written and oral representations and information that we receive from you. You agree that you are responsible for the accuracy and completeness of the representations and information provided to us by your employees, representatives and management, and you acknowledge that we may rely on the [Client] to ensure the accuracy and completeness of the representations and information we receive from its employees, representatives and management. In view of the foregoing, [Client or you] agree(s) to release, hold harmless, indemnify and defend MGO, its partners and personnel from any claims, costs (including attorneys' fees), losses, damages, liability, judgments, awards and settlements related to, arising out of, or resulting from misrepresentations, whether false, misleading, or incomplete information provided to us during our engagement by any of your employees, representatives or members of your management, whether or not such representations were intentional or authorized by you, except to the extent it is finally judicially determined that a claim, cost, loss, damage, liability, judgment, award or settlement was the result of fraud or intentional misconduct, or violation of statutory law, on the part of MGO. This provision shall survive the termination of this agreement and the completion of our services.

3. Governing Law, Jurisdiction, and Severability

This agreement and its terms shall be governed by, and construed in accordance with, the laws of the State in which the MGO office that provided the services under this Engagement Letter is located. More specifically, the parties agree to the personal jurisdiction by and venue in the state and federal courts in the county in which the MGO office that provided the service is located.] The parties agree to this choice of law and jurisdiction, and waive any defense based upon an inconvenient forum. This term will be enforced to the fullest extent permitted by applicable law. If any provision of this Engagement Letter, including these Terms and Conditions, is found by the court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions. However, such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this agreement.

4. Subpoena and Other Release of Documents

As a result of our services to you, we may be required or requested to provide information, testimony, or documents to you or a third-party pursuant to a subpoena, court order or other administrative or legal process in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding, in which we are not a party. You agree that our efforts in complying with such requests or demands will be deemed a part of this engagement and MGO shall be entitled to additional compensation, and not limited to the budgeted or estimated fees and costs for the services provided for under the Engagement Letter, for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

5. Use of Electronic Communication and Cloud-based Computing

In the performance of our professional services, we may communicate with each other and/or with others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used by an unintended third party, we cannot guarantee that such email communication will be properly delivered and read only by the addressee. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent. Therefore, you hereby waive any liability whatsoever for any unintended interception or unintentional disclosure of email transmissions in connection with the performance of our professional services. MGO uses cloud-based computing services, including the storage of data and files, at third party, offsite, secure facilities. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions and cloud-based computing, including any direct or indirect damages that may result from any inadvertent or unanticipated disclosure of confidential or proprietary information, or disclosure through third party criminal conduct (e.g., hackers or hacking activities).

6. Privacy Policy

You are aware of, have had an opportunity to review, and consent to, MGO's Online Privacy Policy, which in compliance with the California Consumer Protection Act explains how MGO collects, uses, and protects personal information you provide to MGO, and explains your rights related thereto. MGO's Privacy policy also is in compliance with all applicable federal, state and local privacy and consumer protection laws and regulations. This is a link to MGO's Privacy Policy: <https://www.mgocpa.com/privacy>

7. Independence

If applicable to you and the services to be provided to you pursuant to the Engagement Letter, professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the client in the performance of our services. Any discussions that your representatives have with professional personnel of MGO regarding employment could pose a threat to our independence. Moreover, if applicable, SEC rules could cause us not to be independent of the client if, within a restricted period, you were to hire, in a financial reporting oversight role, one of the engagement team members currently or previously assigned to the audit. This may include not only current employees of MGO, but also former employees and employees of other firms who work under our direction. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Moreover, to the extent that you have engaged a company affiliated with MGO to provide services related to your efforts to identify, interview, and hire officers, directors, or management, or related human resource efforts on your behalf, you agree to inform MGO so that MGO can evaluate whether there are any potential or actual independence considerations that may preclude, or otherwise limit the services MGO is able to perform. Therefore, you agree to inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

If we provide both attest and non-attest services to you, then in order to maintain our independence, you assume all management responsibilities for any non-attest services that we provide as part of the Services. You will designate a qualified individual with suitable skill, knowledge, or experience, from your senior management to oversee the non-attest services, evaluate the adequacy and results of the non-attest services, and accept responsibility for such services.

8. Termination of Services and Withdrawal

We may terminate this agreement and withdraw from providing further services, I (a) any invoice become delinquent; (b) we become aware of any criminal, fraudulent, or similar acts by you or your management, the Client, or its management is accused of or becomes the subject of an investigation by any governmental entity of criminal fraudulent or similar acts which causes us to have reasonable doubt as to the integrity of the Client or management; (c) you fail to provide us with information we request; (d) you cause a substantial delay in our engagement work or we are unable to complete the engagement or are unable to form an opinion for reasons beyond our control; (e) you violate any of the terms of this agreement or the Engagement Letter; or (f) we are no longer able to satisfy our professional obligations regarding independence or conflicts of interest, or pursuant to applicable professional standards, or statutes. Client may, by written notice to MGO, terminate the whole or any part of this agreement without liability to Client if MGO fails to perform or breaches any of the terms contained herein or in the Engagement Letter. In addition, either Party may terminate this agreement for any reason or for no reason on thirty (30) days' written notice to the other Party. Upon termination, MGO shall be compensated only for those Services that have been performed and delivered to Client's satisfaction, and MGO shall be entitled to no further compensation.

9. Force Majeure

MGO shall not be liable for breach of this agreement or the Engagement Letter caused by circumstances beyond our reasonable control, including but not limited to the Client's unwillingness, or failure to provide information necessary for the services to be completed.

10. Assignment

The Client shall not assign any rights, obligations or claims relating to this agreement or the Engagement Letter.

11. Independent Contractor

The services MGO provides to you are that of any independent contractor, and not as your employee, agent, partner, joint venture, or otherwise. Neither you nor we have a right, power, or authority to bind the other.

12. General Provisions

Client and MGO acknowledge and agree that all prior understandings, representations, and agreements heretofore made or reached by them are merged into this agreement, which alone fully and completely expresses their agreement. Any such prior understandings, representations and agreements are void and nonactionable. This agreement may be amended or modified only by a written agreement signed by you and MGO. In the event that there is a conflict between these Terms and Conditions and the Engagement Letter, the terms of the Engagement Letter shall control.

This agreement is a private agreement that has been specifically tailored to the interests of you and MGO in the transaction and subject matter it addresses, and it does not, and is not intended to contemplate, touch upon or affect the general public or matters of public interest or necessity. You and MGO have the right and the opportunity to review, revise, and consult with counsel concerning the provisions of this agreement, and it is acknowledged that both parties possess relatively equal capacity and resources to negotiate and bargain for the provisions contained in this agreement. It is further acknowledged that neither party has control over the property, interests or rights of the other, and that no fiduciary relationship exists between them.

Because both parties have had the right to review and revise this agreement, the rule of construction that any ambiguities are to be construed against the drafting party shall not be employed in interpreting this agreement. To the extent any provision or term of this agreement is held unenforceable, the remaining terms and provisions shall remain in full force and effect, and enforceable.

This agreement may be executed in several counterparts which, when taken together, shall constitute the entire agreement. A facsimile or electronic signature shall be treated as an original signature, provided that the party providing the facsimile or electronic signature shall be responsible for obtaining an ink signature that will be provided to the other party(ies) immediately upon request.

13. Non-CPA Owner Notice Requirement

MGO is owned by professionals who hold CPA licenses as well as by professionals who are not licensed CPAs. Therefore, depending on the nature of the services being provided, non-CPA owners may be involved in providing certain services hereunder.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **PROPOSED LEGISLATION TO AMEND GOVERNMENT CODE SECTION 31522.5 REGARDING BOARD'S AUTHORITY TO APPOINT OCERS PERSONNEL**

Recommendation

The Personnel Committee recommends that the Board approve introduction of a legislative bill to amend Government Code section 31522.5 regarding the Board's authority to appoint OCERS personnel.

Background/Discussion

Under existing law, the Board has the authority to appoint certain personnel who will be employees of the retirement system (OCERS often refers to employees of the retirement system as "OCERS-direct employees," and County employees who are assigned to work at OCERS as "County employees").

Government Code section 31522.5 (hereafter Section 31522.5) states, in full, as follows:

§31522.5. Additional personnel; appointment authority (Orange, San Bernardino)

(a) In a county in which the board of retirement has appointed personnel pursuant to Section 31522.1¹, the board of retirement may appoint an administrator, an assistant administrator, a chief investment officer, senior management employees next in line of authority to the chief investment officer, subordinate administrators, senior management employees next in line of authority to subordinate administrators, and legal counsel.

(b) Notwithstanding any other provision of law, the personnel appointed pursuant to this section may not be county employees but shall be employees of the retirement system, subject to terms and conditions of employment established by the board of retirement. Except as specifically provided in this subdivision, all other personnel shall be county employees for purposes of the county's employee relations resolution, or equivalent local rules, and the terms and conditions of employment established by the board of supervisors for county employees, including those set forth in a memorandum of understanding.

(c) Except as otherwise provided by Sections 31529.9 and 31596.1, the compensation of personnel appointed pursuant to this section shall be an expense of administration of the retirement system, pursuant to Section 31580.2.

(d) The board of retirement and board of supervisors may enter into any agreements as may be necessary and appropriate to carry out the provisions of this section.

(e) Section 31522.2 is not applicable to any retirement system that elects to appoint personnel pursuant to this section.

¹ Section 31522.1 authorizes the Board to appoint administrative, technical and clerical staff who shall be County employees.

(f) This section shall apply only in Orange County.

(g) This section shall apply to the retirement system established under this chapter in San Bernardino County at such time as the board of retirement, by resolution, makes this section applicable in that county.²

The Proposed Amendment and Personnel Committee Approval

The objectives of the proposed amendment to Section 31522.5 are two-fold: First, the amendments would allow for a level of management staff between the Chief Investment Officer (CIO) and the remainder of the employees of the Investment Division; and second, they would clarify the Board's authority to appoint more than one assistant administrator. This proposal was presented to and discussed by the Personnel Committee at its November 18, 2020 meeting. The Committee approved the proposal and now recommends that the Board approve introduction of a legislative bill to amend Government Code section 31522.5 consistent with the aforementioned objectives.

The proposed amendments, as currently contemplated (understanding that the precise wording will likely change during the legislative process) are reflected in marked text below:

§31522.5. Additional personnel; appointment authority (Orange, San Bernardino)

(a) In a county in which the board of retirement has appointed personnel pursuant to Section 31522.1, the board of retirement may appoint an administrator, ~~an~~ assistant ~~administrator~~ administrators, a chief investment officer, subordinate investment officers next in line of authority to the chief investment officer, senior management employees next in line of authority to the subordinate investment officers~~chief investment officer~~, subordinate administrators, senior management employees next in line of authority to subordinate administrators, and legal counsel.

(b) Notwithstanding any other provision of law, the personnel appointed pursuant to this section may not be county employees but shall be employees of the retirement system, subject to terms and conditions of employment established by the board of retirement. Except as specifically provided in this subdivision, all other personnel shall be county employees for purposes of the county's employee relations resolution, or equivalent local rules, and the terms and conditions of employment established by the board of supervisors for county employees, including those set forth in a memorandum of understanding.

(c) Except as otherwise provided by Sections 31529.9 and 31596.1, the compensation of personnel appointed pursuant to this section shall be an expense of administration of the retirement system, pursuant to Section 31580.2.

(d) The board of retirement and board of supervisors may enter into any agreements as may be necessary and appropriate to carry out the provisions of this section.

(e) Section 31522.2 is not applicable to any retirement system that elects to appoint personnel pursuant to this section.

(f) This section shall apply only in Orange County.

(g) This section shall apply to the retirement system established under this chapter in San Bernardino County at such time as the board of retirement, by resolution, makes this section applicable in that county.

² San Bernardino County has not adopted Section 31522.5.

There are two important points that bear emphasizing: (1) staff is **not** seeking to add to the headcount of the organization; and (2) with or without the amendments, the Board retains full authority to appoint (or not appoint) OCERS-direct personnel.

OCERS Investment Division

Under Section 31522.5, the Board has authority to appoint a CIO and senior management employees next in line of authority to the CIO. This effectively means that all OCERS-direct employees of the OCERS Investment Division (other than the CIO) must report to the CIO.

Currently, there are eight OCERS-direct employees of the Investment Division, including the CIO, and one County employee. The classifications of the current OCERS-direct employees are:

- Managing Director (1)
- Director of Investments (1)
- Senior Investment Officer (1)
- Investment Officer (1)
- Senior Investment Analyst (1)
- Investment Analyst (2)

Although there are five levels of OCERS-direct employees beneath the CIO, because of the current wording of Section 31522.5, they all must report directly to the CIO.

The CIO has proposed amending Section 31522.5 so that the lower levels of OCERS-direct employees in the Investment Division can report to the higher levels of OCERS-direct employees. Specifically, director level team members (i.e., the Managing Director and the Director of Investments), would report directly to the CIO; and the other OCERS-direct employees (i.e., the Senior Investment Officers, Investment Officers, Senior Investment Analysts and Investment Analysts) would report to the Managing Director or the Director of Investments. This structure would enhance opportunities to mentor and develop lower level staff, give director level team members an opportunity to develop their own management skills, and introduce more formal succession planning into the Investment Division. In addition, this structure would allow for future team needs and align the Investment Division with the expected long-term growth of plan assets.

The CIO is **not** seeking to increase staffing or headcount of the Investment Division – only seeking to introduce a level of management between herself and the rest of the staff in the division.

Executive Office

Under Section 31522.5, the Board has authority to appoint one administrator and one assistant administrator. Based on the size and complexity of the OCERS organization, the CEO strongly believes having two assistant administrators increases the effectiveness of the OCERS team and our ability to deliver benefits to OCERS members. The CEO therefore has proposed amending Section 31522.5 to authorize the Board to appoint more than one assistant administrator. As with the proposed amendment for the Investment Division team, the CEO is **not** seeking to increase staffing or headcount.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



Memorandum

DATE: January 04, 2021
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: EXTENSION OF EMERGENCY PAID SICK LEAVE

Recommendation

Staff recommends that the Board of Retirement approve an extension of Emergency Paid Sick Leave (EPSL) for OCERS Direct employees from January 1, 2021 through June 17, 2021 to include the following:

1. Approve and authorize eligible OCERS Direct employees to use any remaining balances of EPSL granted in 2020 for qualifying Covid-19 related absences; and
2. Grant and authorize eligible OCERS Direct employees to use an additional 40 hours of EPSL for Covid-19 related absences.

This recommendation mirrors the extension of EPSL approved by the Orange County Board of Supervisors for County of Orange employees.

Background/Discussion

The Families First Coronavirus Response Act (FFCRA), effective April 1, 2020, required employers to provide up to 80 hours of Emergency Paid Sick Leave (EPSL) and 12 weeks of Emergency Family Medical Leave (EFMLA) for qualifying absences related to the COVID-19 pandemic. The FFCRA required that these leaves be provided through December 31, 2020.

In an effort to assist employees who are impacted by COVID-19, Orange County’s CEO, Frank Kim, recommended the Orange County Board of Supervisors approve an extension for eligible Orange County employees to use remaining balances of EPSL for a qualifying reason through June 17, 2021. In addition, the CEO recommended providing up to 40 additional hours of EPSL to eligible employees for qualifying reasons effective January 1, 2021 through June 17, 2021.

On December 15, 2020, the Board of Supervisors approved these recommendations. The terms, conditions and exceptions for use of the leave will remain the same as were in place under the FFCRA.

OCERS CEO, Steve Delaney is requesting the Board of Retirement grant the same extension of leave time and provisions to the 37 OCERS Direct employees as outlined below:

- 1) Authorize eligible OCERS Direct employees to use any remaining balances of EPSL granted in 2020 for qualifying Covid-19 related absences through June 17, 2021; and
- 2) Grant and authorize eligible OCERS Direct employees to use an additional 40 hours of EPSL for Covid-19 related absences effective January 1, 2021 through June 17, 2021.

The qualifying reasons correspond to the reasons outlined in the FFCRA and with the provisions authorized by the Board of Supervisors for County of Orange to County employees.

Attachment

Memo dated December 09, 2020 from Frank Kim to County of Orange Board of Supervisors requesting EPSL extension. Approved at the December 15, 2020 Board meeting.

Submitted by:



CH - Approved

Cynthia Hockless
Director of Human Resources



County Executive Office

S37N

Memorandum

December 9, 2020

To: Clerk of the Board of Supervisors

From: Frank Kim, County Executive Officer

County Executive Office
100 West 1st Street, 4th Floor
Orange, CA 92667
www.ocgov.com

Subject: Exception to Rule 21

The County Executive Office is requesting a Supplemental Agenda Staff Report for the December 15, 2020, Board Hearing.

Agency: County Executive Office

Subject: Approve Extension of Compensation Relief for COVID-19 Related Absences

Districts: All Districts

Reason for supplemental: The County Executive Office is requesting this Supplemental item be placed on the December 15, 2020, Board agenda in order to continue the administration of compensation relief during absences related to COVID-19 effective January 1, 2021. This Agenda Staff Report and attachments were finalized after the filing deadline to the Clerk of the Board.

Concur:

Michelle Steel, Chairwoman of the Board of Supervisors

cc: Board of Supervisors
County Executive Office
County Counsel


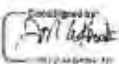
Agenda Item S37N
 Clerk's Use Only



**SUPPLEMENTAL AGENDA ITEM
 AGENDA STAFF REPORT**

MEETING DATE: 12/15/20
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): All Districts
SUBMITTING AGENCY/DEPARTMENT: County Executive Office
DEPARTMENT HEAD REVIEW: Tom Hatch
 Department Head Signature
DEPARTMENT CONTACT PERSON(S): Tom Hatch (714) 834-2836
 Colette Farnes (714) 834-2247

SUBJECT: Approve Extension of Compensation Relief for COVID-19 Related Absences

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
	No legal objection <i>Action</i>  County Counsel Signature	Discussion 5 Votes Board Majority
CEO Signature		

Budgeted: N/A **Current Year Cost:** See Financial Impact Section **Annual Cost:** See Financial Impact Section
Staffing Impact: No **# of Positions:** N/A **Sole Source:** N/A
Current Fiscal Year Revenue: N/A
Funding Source: See Financial Impact Section **County Audit in last 3 years:** No

Prior Board Action: 03/31/2020 #3

RECOMMENDED ACTION(S):

1. Approve and adopt extension of employees' ability to utilize remaining Emergency Paid Sick Leave to provide employees with compensation relief during COVID-19 related absences.
2. Approve and adopt employees' ability to utilize up to 40 additional hours of Emergency Paid Sick Leave, effective January 1, 2021, consistent with the County's Emergency Paid Sick Leave program.
3. Authorize the County Executive Officer, or Designee, to administer continuation of the Emergency Paid Sick Leave program through June 17, 2021, with the discretion to extend the program beyond June 17, 2021 in a manner consistent with the Board of Supervisors-approved parameters.
4. Authorize the County Executive Officer, or Designee, to administer future Families First Coronavirus Response Act leave extensions or statutorily required leave programs in a manner consistent with the parameters approved by the Board of Supervisors on March 31, 2020.

SUMMARY:

Approval and adoption of emergency leave practices will provide employees with compensation relief during COVID-19 related absences.

BACKGROUND INFORMATION:

Since March 2020, the COVID-19 pandemic has continued to disrupt school, business and government operations. On March 13, 2020, the County Executive Office issued a notice that employees who have exhausted all leave balances would be advanced up to 80 hours of Advanced Sick Leave if they needed to stay home to care for a child whose school closed (and could not telework). The ability to utilize Advanced Sick Leave is ongoing.

On March 18, 2020, the President of the United States signed HR 6201 into law, otherwise known as the Families First Coronavirus Response Act (FFCRA), with an effective date of April 1, 2020. This law provided emergency paid sick leave and expanded paid leave under the Family and Medical Leave Act (FMLA) for COVID-19 related absences.

To ensure that the County complied with the FFCRA, on March 31, 2020, your Honorable Board of Supervisors (Board) approved the implementation of the statutorily required leaves as described in the March 31, 2020 Agenda Staff Report including:

Emergency Paid Sick Leave (EPSL)

Eligible Full-Time Regular and Limited-Term employees receive 80 hours of EPSL paid sick leave at their regular rate of pay for any EPSL qualifying leave (e.g., quarantine, to care for a child whose school has closed, etc.).

Extra-Help, Part-Time and other employees, as defined by law, receive an amount of EPSL hours tied to their regular work schedule, as determined by the FFCRA or relevant regulations. Such employees also receive their regular rate of pay for any EPSL qualifying leave.

The Board approved the recommendation that the County would not apply the financial caps provided by the FFCRA for EPSL due to the complexity of administering the caps. Per statutory requirement, any EPSL granted to employees was in addition to any existing leave balances, including Advanced Sick Leave.

The terms and conditions of EPSL are governed by the FFCRA and any relevant regulations.

Health Care Providers and Emergency Responders COVID-19 Leave

Under the FFCRA, employers have the option of excluding health care providers and emergency responders from the benefits of the law. Such employees were excluded from coverage under the FFCRA and were not eligible for EPSL. Upon Board approval, the County granted the additional discretionary sick leave and family leave described in this section to such employees at the discretion of the Department Head. Effective September 19, 2020, California AB 1867 expanded the use of EPSL for health care providers and emergency responders.

All leave protections provided under the FFCRA and California AB 1867 are currently set to expire on December 31, 2020, and the administration of Emergency FMLA as authorized by the Board shall be discontinued unless extended by the Federal Government.

As of December 8, 2020, two other counties in the Southern California Region will be extending the ability for employees to use remaining EPSL balances only. Other counties report that they are waiting for guidance from the Federal Government, and may implement extensions of the ability to use EPSL in the future.

Emergency Leave Recommendations

To ensure that the County maximizes the health and safety of its employees and the public they serve, the following recommendations are before the Board for your consideration:

The County shall extend the ability of eligible Full-Time Regular and Limited-Term employees to utilize remaining balances of EPSL sick leave (up to a maximum of 80 unused hours) at their regular rate of pay for any EPSL qualifying leave (e.g., quarantine, to care for a child whose school has closed, etc.).

The County shall extend the ability of Extra-Help and Part-Time employees to utilize the remaining amount of EPSL hours calculated based on their regular work schedule, at their regular rate of pay for qualifying leave (e.g., quarantine, to care for a child whose school has closed, etc.).

Effective January 1, 2021, eligible employees shall have the ability to use up to a maximum of 40 additional hours of EPSL for Full-Time Regular and Limited-Term employees and prorated for Extra-Help and Part-Time employees calculated based on their regular work schedule and at their regular rate of pay for qualifying leave, under the terms and conditions of the County's Emergency Paid Sick Leave program.

County employees who are health care providers and emergency responders, as those terms are defined by the Department of Labor and any relevant regulations, may be granted the remaining balances of EPSL sick leave at their regular rate of pay, under the terms and conditions that other County employees receive EPSL, except that use of such leave is subject to Department Head approval to ensure that critical health and public safety needs are met. Unless otherwise extended by law, expanded EPSL rights for health care providers and emergency responders under California AB 1867 expire on December 31, 2020.

New employees shall be eligible to use EPSL leave and/or Advanced Sick Leave calculated based on their regular work schedule under the terms and conditions that other County employees receive EPSL and Advanced Sick Leave.

For all employees, the ability to use EPSL is in addition to any existing leave balances, including Advanced Sick Leave. These leave hours have no cash value and unused balances of these hours shall not be paid out upon separation.

The County will continue to encourage telecommuting instead of the use of leave balances for employees with each department determining the feasibility of employee telecommuting while ensuring vital services continue to be provided. Board approval is requested to allow the County Executive Officer the authority to continue this program through June 17, 2021, with the discretion to extend if warranted by the continued impact of the COVID-19 pandemic. Additionally, Board authority is requested to allow the County

Executive Officer discretion to administer future FFCRA leave extensions or other statutorily required leave programs in a manner consistent with the parameters approved for the implementation of the FFCRA.

FINANCIAL IMPACT:

The financial impact is unknown at this time as we cannot forecast the number and classifications of employees who may utilize the benefit. The use of this Emergency Leave time will be paid by each department and will be uniquely identified for tracking purposes.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

- Attachment A – Response to COVID-19 Related School Closures dated March 13, 2020
- Attachment B – HR 6201 (Families First Coronavirus Response Act)
- Attachment C – California AB 1867 (Supplemental Paid Sick Leave)



Extension of Emergency Paid Sick Leave (EPSL)

January 19, 2021



Background Discussion

- On April 1, 2020, the Families First Coronavirus Response Act (FFCRA) law went into effect.
- The FFCRA required employers to provide up to 80 hours of Emergency Paid Sick Leave (EPSL) and 12 weeks Emergency Family Medical Leave (EFMLA) for qualifying absences related to the COVID-19 pandemic. These provisions ended on December 31, 2020.
- On December 09, 2020, OC CEO, Frank Kim, recommended the Board of Supervisors approve an extension of EPSL for eligible employees to use any remaining balances of EPSL from 2020 and grant 40 hours of additional EPSL time to eligible employees for qualifying Covid-19 related reasons effective January 1, 2021 through June 17, 2021.
- On December 15, 2020, the Board of Supervisors approved the recommendations of the CEO.



Recommendation

Staff recommends that the Board of Retirement approve an extension of Emergency Paid Sick Leave (EPSL) for OCERS Direct employees from January 1, 2021 through June 17, 2021 to include the following:

- 1) Approve and authorize eligible OCERS Direct employees to use any remaining balances of EPSL granted in 2020 for qualifying Covid-19 related absences; and
- 2) Grant and authorize eligible OCERS Direct employees to use an additional 40 hours of EPSL for Covid-19 related absences.

This recommendation mirrors the extension of EPSL for County of Orange employees approved by the Orange County Board of Supervisors on December 15, 2020.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: SACRS BOARD OF DIRECTORS ELECTIONS 2021-2022

Recommendation

Identify one or more nominees for the SACRS Board of Directors election to be conducted on May 14, 2021; and direct staff to submit the nomination(s) to the SACRS Nominating Committee on or before March 1, 2021.

Background/Discussion

At the May 14, 2021 SACRS business meeting, SACRS will conduct the election for the SACRS Board of Directors for 2021-2022. The Board of Directors consists of the following positions:

- President
- Vice President
- Treasurer
- Secretary
- Two (2) Regular Members
- Immediate Past President

Attached is the timeline for the upcoming election.

As a regular member of SACRS, OCERS may submit nominations for the election of the SACRS Directors. Such nominations are to be submitted to the SACRS Nominating Committee, and must be received by the Nominating Committee prior to the first business day after March 1 of each calendar year.

The purpose of this agenda item is for the Board to discuss and identify one or more nominees for the SACRS Board of Directors election to be conducted on May 14, 2021, and to direct staff to submit the nomination(s) to the SACRS Nominating Committee on or before March 1.

In addition, individuals interested in serving on the SACRS Board of Directors may indicate their interest by completing and submitting the attached SACRS Nomination Submission Form, with a letter of intent. The form and the letter of intent must be submitted to the Nominating Committee no later than March 1, 2021.

Prior to March 25, the Nominating Committee will report a final ballot to each regular member County Retirement System. Staff will present the final ballot to the OCERS Board at its April 19, 2021 meeting so that the Board can give direction to the OCERS Voting Delegate on how to vote OCERS' proxy in the SACRS election.

Attachments

- (1) SACRS Board of Directors Election 2021-2022 Information and Timeline
- (2) SACRS Nomination Submission Form

Submitted by:



Gina M. Ratto
General Counsel



October 1, 2020

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2021-2022 - Elections Notice

SACRS BOD 2021-2022 election process will begin January 2021. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2021	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2021	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 15, 2021	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 15, 2021	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members

A. Immediate Past President. *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25. The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.



Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The elections will be held at the SACRS Spring Conference May 11-14, 2021 at the Hyatt Regency Long Beach, Long Beach, CA. Elections will be held during the Annual Business meeting on Friday, May 14, 2021.

If you have any questions, please contact Dan McAllister, Dan.McAllister@sdcounty.ca.gov

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee & San Diego County Treasurer Tax Collector
SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Executive Director



Providing insight. Fostering oversight.

**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name:
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: Email Address: Phone:
Name of Retirement System Candidate Currently Serves On	System Name:
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	



OCERS Regular Board Meeting
January 19, 2021

Pension Obligation Bonds

An Overview

Paul Angelo, FSA, FCA, EA, MAAA
Todd Tauzer, FSA, FCA, CERA, MAAA

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| Today's topics

What is a POB and how are they viewed by the financial community?

What are the different ways they can be issued and used?

What are the primary risks and opportunities with POBs in today's environment?



The time is ripe for POBs...It's finally now time for public pension funds and their sponsoring employers to make lemonade from lemons.

Girard Miller
Pensions & Investments
March 25, 2020



S&P Global Ratings views POB issuance in environments of fiscal distress or as a mechanism for short-term budget relief as a negative credit factor.

Andy Hobbs
S&P Global Ratings
December 6, 2017



POBs are generally frowned upon as a gamble by public finance experts...and correctly timing investments requires some luck. But this is a moment when they may be worth it.

Liz Farmer
Bloomberg Opinion
March 26, 2020



POBs involve considerable investment risk, making [their] goal very speculative... State and Local Governments should not issue POBs.

GFOA
GFOA Advisory
2015

What Exactly are Pension Obligation Bonds?

- Taxable bonds issued by a state or local government where the proceeds are invested in the pension system
- In many places require approval from voters or some other overseeing entity
- The interest (cost) of the bond is dependent on the credit rating of the municipality along with other market conditions
- They are not an arbitrage opportunity (no free lunch!)

Pension Obligation Bonds: Details Matter

While POB proceeds are always contributed to the pension system, they can be used in different ways:

- Long-term leverage play
 - Proceeds used to pay down Unfunded Accrued Liability (UAL)
 - Tempting when market interest rates are lower than the plan's discount rate
 - Actual savings only if actual return on investments is greater than interest on POB
- Short-term contribution relief
 - Typically used in times of distress
 - Covering ongoing contribution requirements through debt issuance

The Leverage Effect

- POBs are essentially government borrowing (taking on debt) to invest in the stock market
- This leverages the assets and makes total costs more sensitive to investment volatility
- They are also highly dependent on the timing – whatever happens in the first few years after issuance has a disproportionate effect on profitability

The Leverage Effect – Sample Plan

- Looking only at UAAL amortization payments and POB debt service
 - Normal Cost payments unaffected by POB

Before POB:			
Accrued Liability	\$10,000,000	Plan Expected Return	7.0%
Assets	<u>7,000,000</u>	Assumed Payroll Growth	3.5%
UAL (= POB amount)	\$3,000,000	UAL Amortization Period	15 years
Funded Ratio	70%	POB Interest Rate	4.0%
UAL Payments	\$271,541	POB Term	15 years
Payroll	\$2,000,000	POB Payments	\$269,823
UAL Payment %	13.6%	POB Payment %	13.5%

The Leverage Effect – Sample Plan

- Compare results after one year of market volatility – loss or gain

10% actuarial asset loss (-3% return)

Without POB		With POB	
Asset loss	\$700,000	Asset loss	\$1,000,000
UAL	\$3,700,000	UAL	\$1,000,000
POB Balance	\$0	POB Balance	\$3,000,000
UAL Payment	\$334,814	UAL Payment	\$90,490
POB Payment	0%	POB Payment	\$269,823
UAL Payment %	16.7%	UAL Payment %	4.5%
POB Payment %	<u>0%</u>	POB Payment %	<u>13.5%</u>
Total Payment %	16.7%	Total Payment %	18.0%

The Leverage Effect – Sample Plan

- Compare results after one year of market volatility – loss or gain

10% actuarial asset gain (17% return)

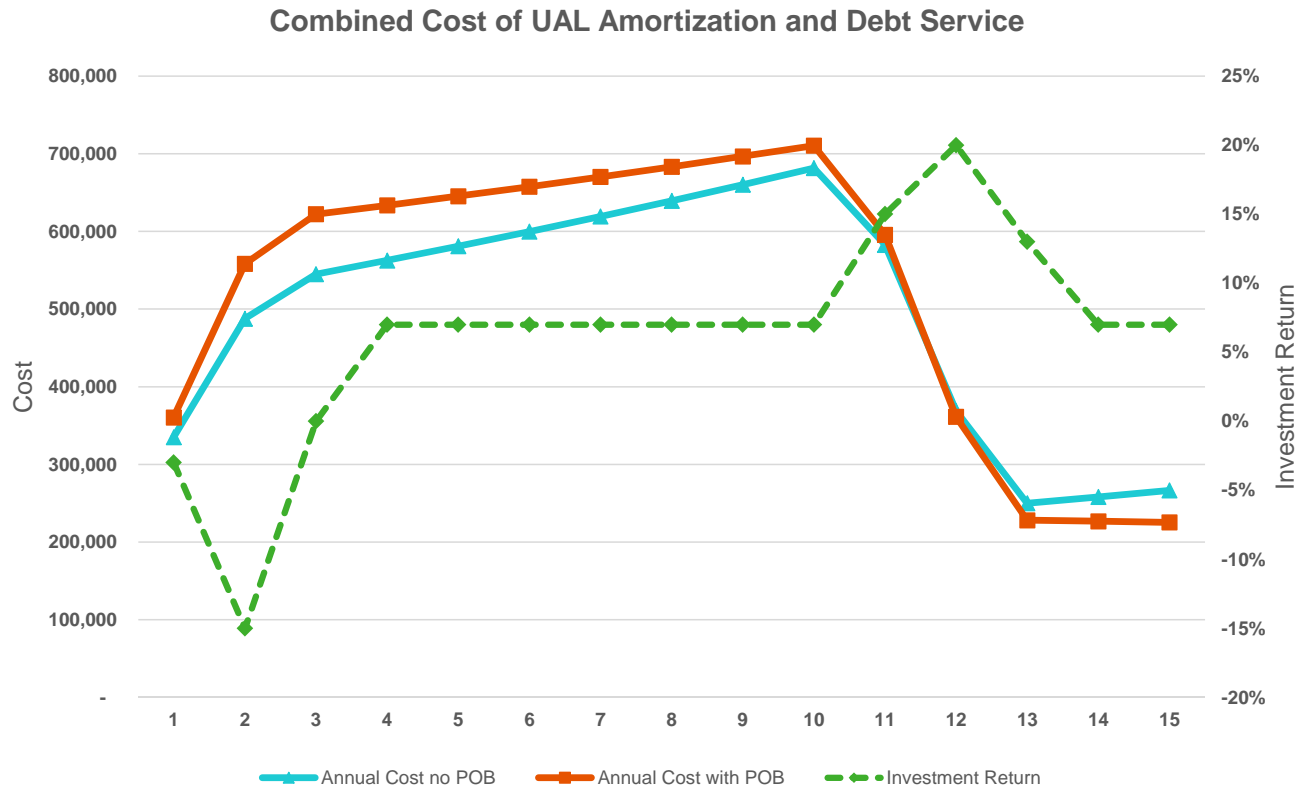
Without POB		With POB	
Asset gain	\$700,000	Asset gain	\$1,000,000
UAL	\$2,300,000	UAL (Surplus)	(\$1,000,000)
POB Balance	\$0	POB Balance	\$3,000,000
UAL Payment	\$334,814	UAL Payment (Credit)	(\$90,490)
POB Payment	0%	POB Payment	\$269,823
UAL Payment %	10.4%	UAL (Credit) %	(4.5%)
POB Payment %	<u>0%</u>	POB Payment %	<u>13.5%</u>
Total Payment %	10.4%	Net Total Payment %	9.0%

The Leverage Effect – Sample Plan Summary

- Compare results after one year of market volatility
- Baseline total UAAL contribution rates plus POB debt service
 - 13.6% before POB (all UAAL)
 - 13.5% after POB (UAAL plus POB)
- Compare total costs after 10% actuarial loss or gain
 - Before POB: 16.7% versus 10.4%, spread is 6.3%
 - After POB: 18.0% versus 9.0%, spread is 9.0%
- POB leverage increases volatility of contribution rates

The Leverage Effect

- Projected annual costs with contrasting bad and good return periods



GFOA Advisory Considerations

General Observations:

- The leveraging effect makes POBs highly speculative
- On the downside the issuer is left with fixed debt payments on top of additional UAL
- Historical uses leave many examples of poor timing of issuance that have resulted in increased financial stress

GFOA Advisory Considerations

Particular concerns beyond being speculative:

- POBs can be built in complex ways, obscuring risks they may cause
- They use up debt capacity that is normally meant for other uses
- They can be structured as a short-term savings mechanism that pushes and compounds both debt and liability costs down the road
- They may be a concern to Rating Agencies, which have said that POBs are “neutral in some cases and negative in others”

Negative Public Finance Considerations

Rating Agencies agree with GFOA on the speculative nature and leveraging effect, and warn that POBs:

- Do not fix underlying funding issues
- Should not extend past the amortization of the UAL to generate savings
- Should not start with a zero-payment or interest-only window to generate savings
- Should not be used to cover annual contributions, which is labeled “borrowing for ongoing operations” and is a big red flag
- Will receive particular scrutiny if the issuer is financially distressed

Non-negative Public Finance Considerations

- POBs would likely be considered neutral for credit rating and ongoing finances if:
 - They are issued without any of the negative factors listed
 - They maintain intergenerational equity
- Furthermore, the POB could be considered positive if:
 - It's part of a larger funding package
 - The sponsor addresses underlying issues and improves funding discipline

Conclusion

- POBs always increase risk to the plan, especially through additional investment volatility
- POBs are heavily dependent on timing and how the markets play out going forward
- They do nothing to fix underlying funding issues
 - How did we get to this level of underfunding?
- Their best use could be as part of a package to strengthen funding policies

Questions?

Paul Angelo, FSA, FCA, EA, MAAA
Senior Vice President & Actuary
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Vice President & Consulting Actuary
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Memorandum

DATE: January 6, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: 2020 OCERS INNOVATIONS, PROCESS IMPROVEMENTS AND EMPLOYEE STAFF AWARDS

Presentation

Background/Discussion

At the start of each calendar year your OCERS team proudly reports on the innovations and process improvements that have been undertaken at OCERS over the prior calendar year. The OCERS management team emphasizes the importance of not sitting on our well-deserved laurels, but instead to always be striving to improve the services we render to our thousands of members.

I include links here to two great contrasting articles that address the importance of innovation in public agencies such as OCERS:

The first suggests that government, just like private sector, can have break through innovative moments:

Break Through Innovation -

https://ssir.org/articles/entry/unleashing_breakthrough_innovation_in_government

The second is what we see more of, slow continuous change that is termed here “slow growth innovation”:

Slow Growth Innovation - <https://www.newamerica.org/weekly/effective-government-innovation-facebook/>

The key is to always encourage that mindset of continuous improvement, and innovative thinking.

The Government Finance Officers Association (GFOA) has commented on the value of maintaining an innovative outlook in government with a word of caution:

“Local governments need to worry more about creating and sustaining an innovation-friendly administrative environment than about attempting innovations because they are in vogue somewhere else. A new fad is not necessarily what will work well for your specific organization. When Peters and Waterman described how their organizations brought about innovations, they found that these companies created the right atmosphere and conditions to allow innovative thinking to flourish.”

When implementing innovation and improving processes at OCERS, it’s not about doing more with less; it’s about doing better with the resources we have. We are not looking for complex strategies, which often add confusion; instead we look to make straightforward simple change and improvement that creates better results.

A YEAR WITH COVID

2020 was a unique year of course, and the challenge of quarantining during the pandemic has proven a real impetus to OCERS management and staff alike seeking out opportunities to innovate the way we do our work, or to at least improve existing processes in order to obtain a benefit – improved customer service, faster turnaround time, lower costs, greater accuracy, etc.

The innovations and process improvements that were implemented this past year required the assistance of the entire OCERS team, and on January 19 you will hear from OCERS’ senior managers as they share details of some of the key efforts that were made in 2020.

We will begin the presentation with an introduction of our 2020 winners of the Employee and Manager of the Year award, as well as the Innovator of the Year, and end with an acknowledgement of those OCERS staff members who have submitted individual suggestions for improvement through our “I Have a Better Idea” program.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

2021



2020 OCERS Innovations/Process Improvements and Employee Staff Awards

January 19, 2021



Employee of the Year

Jonathea Tallase





Manager of the Year

Jon Gossard





Innovator Award Winner

Tarek Turaigi





OCERS Innovations and Process Improvements



Administration Improvements

- Diligent Board Portal
 - Enhanced materials management
 - Enhanced functionality

- Investment Department Data Management
 - Created new Direct Lending database
 - Implemented Caissa: investment risk management platform
 - Implemented Backstop Intellx: automated investment manager document processing

- SharePoint
 - Improved content with internal dashboards
 - Improved functionality through migration to Power BI



COVID Response

- Within two weeks' time all team members were equipped to work from home
- Procured and implemented new Dialpad Phone system with enterprise business "work from anywhere" application such that member calls can be answered from anywhere
- Procured and implemented Zoom virtual meeting solution for Board, Committee and internal meetings immediately upon the Governor's Executive Order that suspended certain provisions of the Brown Act
- New Customer Support Drop Off Box in lobby for members to securely "drop off" documents with OCERS



Enhanced Security



Single Sign-On

- Implemented single sign-on system to provide one-click access to OCERS cloud applications
- Provides strong authentication while eliminating the need for usernames and passwords
- Centralizes identity management for cloud applications, puts cloud accounts under IT control



Multi-Factor Authentication

- Implemented multi-factor authentication system to protect user accounts from common attacks
- Incorporates multiple factors including something you have, something you are, something you know
- Utilizes the highest assurance factors for authentication and authorization



Electronic Signature

- Implemented electronic signature system to enhance efficiency and safety
- Secure signing virtually from anywhere, increased productivity, increased convenience and satisfaction
- Saves money by reducing the hard and soft costs associated with manually collecting signatures



Enhanced Security



Email Spoofing Prevention

- Implemented Domain-based Message Authentication, Reporting & Conformance (DMARC)
- Significantly reduces the ability of attackers/scammers to spoof OCERS emails
- Allows members to have more confidence that emails coming from OCERS are legitimate



Endpoint Detection & Response

- Implemented secondary vendor for endpoint detection and response at no additional cost
- System monitors all activity on OCERS endpoints and alerts on notable security events
- Also includes managed detection and response services to provide 24 x 7 x 365 coverage



Improved Member Services

- Quickly moved to online member video/phone counseling using Dialpad or Zoom
- Moved to online OCERS pre-retirement seminars. Conducted using Zoom with easy online registration for members through OCERS' website
- Created new Whiteboard videos for "COLA" and "How to use OCERS online benefit calculator" available on OCERS' website.
- Implemented use of a copy service to reduce disability application process time.



Continuous Improvement Suggestions Thought Leaders

Mark Adviento

Brittany Cleberg

Lisa D'Aiello

Barbara Fields

Dena Gunsolley

Jayne Ritchey

Jenny Sadoski

Rose Bowen

Megan Cortez

Vincent Durigon

Erika Gonzalez

David Kim

Christopher Rubio

Tarek Turaigi



Thank You!



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: **AMENDMENTS TO THE COUNTY EMPLOYEES RETIREMENT LAW (CERL) EFFECTIVE JANUARY 1, 2021**

Presentation

On September 29, 2020, Governor Gavin Newsom signed into law Assembly Bill 2101. AB 2101 is a first time consolidated bill comprising annual "housekeeping" amendments to the California Public Employees Retirement Law (PERL) administered by CalPERS, the chapter of the Education Code administered by CalSTRS, and the California Employees Retirement Law (CERL) administered by 20 county retirement systems including OCERS. The original bill (SB 783) that included only the CERL amendments before consolidation into AB 2101 was sponsored by the State Association of County Retirement Systems (SACRS).

Effective January 1, 2021, AB 2101 made several revisions to the CERL. Many were simply corrections of cross-reference errors. All of the amendments to the CERL are listed in the attached table. The more important amendments will be discussed at the Board meeting and are summarized in the attached PowerPoint presentation.

Attachments:

- (1) Table of CERL Amendments (AB 2101)
- (2) PowerPoint Presentation (AB 2101)

Submitted by:



Gina M. Ratto
General Counsel

Assembly Bill 2101

Gov Code	Topic	Issue/Justification
31465	Additional member contributions	Removes incorrect reference to GC 31504, which was repealed
31627.1	Additional member contributions, refunds	Removes incorrect cross reference to GC 31504; adds gender neutral language
31627.2	Additional member contributions, refunds	Removes incorrect cross reference to GC 31504; adds gender neutral language
31631.5	Member contributions, normal cost-sharing	Fixes incorrect cross reference to GC 31639 (currently 21639)
31453	Withdrawn Employer Liabilities	Affirms <i>Mijares vs. OCERS</i> ruling to emphasize Board's authority to set contributions for employers (even if they no longer have active members) to ensure sustainability of the fund.
31641.45	Refunds	Removes incorrect cross reference to 20023.1, which was repealed in 1995.
31646	Service Purchase for Uncompensated Illness	Allows members to purchase parental leave time, similar to CalPERS (GC 21013) and CalSTRS (EC 22803). Current statute does not permit purchases for unpaid absences other than for illness. This amendment adds parity for county retirement systems in an area of law and practice that has been evolving regarding parental leave. Unlike current statute that requires only member contributions for service purchases related to unpaid medical leave, this amendment requires the member to pay ALL contributions (employee and employer). This provision also require BOS approval, and applies prospectively to future parental leave to ensure compliance with PEPRA's ban on retroactive benefit increases.
31649 31649.5, 31649.5, 31649.6, 31650, and 31651	Military Leave	Consolidates military service credit statutes to conform to federal laws to ensure members who have been called to duty and return to work can be made whole for retirement purposes due to their leave of absence. These amendments do not contain policy changes, but add clarity and remove potential conflict with federal law regarding the treatment of military service purchases.

Assembly Bill 2101

<p>31662.2 31670</p>	<p>Board Approval of Retirements</p>	<p>Delegates authority to the system administrator or other personnel to accept and process service retirement applications, approve effective retirement dates, and pay members, and directs staff to notify Board at the next public meeting. The recent Wilmot v. CCCERA appellate ruling raised a question as to when a member officially retires. The court, citing section 31670, held that a member was not retired until the Board formally approved the member's retirement application. There are various approaches that retirement boards currently use to approve, ratify, or review service retirement applications. By formally delegating the authority to staff to process service retirements, current practices can be codified to comply with section 31670 to ensure members can be paid in a timely manner.</p>
<p>31672, 31672.1, 31672.2, 31672.3</p>	<p>60-Day Advance Application Window</p>	<p>Allows each system to set an application window based on business needs/ability. Statute currently prohibits members from submitting applications more than 60 days before retirement, which will remain the default unless proactively changed by the Board. The 60-day rule is arbitrary and likely reflected the constraints on a manual processes. Technology solutions today can accommodate applications filed earlier, which can help facilitate retirement planning for the individual and succession planning for the employer.</p>
<p>31680</p>	<p>Reinstatement from Retirement</p>	<p>Reinstates to prior status members who had involuntarily termination overturned by administrative or judicial proceeding. This amendment clarifies what Tier the member should return to, if the member was separated from service during the appeal that may have stretched for long periods. Similar to CalPERS (GC 21198)</p>
<p>31706</p>	<p>Minimum Age Distribution</p>	<p>Conforms to IRC regulations the timing of notice for mandatory distribution by clarifying that member deadline to retire/take action is April 1 of year following the year in which the member attains age 70 ½.</p> <p>Adds language for flexibility for lump sum distribution of contributions instead of an "allowance." There are frequent situations in which a deferred member who worked for the county many years ago may have a small amount of member contributions on file. It is cumbersome and inefficient to provide an annual pension on what may amount to a</p>

Assembly Bill 2101

<p>31760.1, 31760.2, 31765, 31765.1, 31781.1, 31782.2, 31785, 31785.1, 31787, 31787.5, 31853.3</p>	<p>Optional Retirement Allowances and Death Benefits: Age 21</p>	<p>Amends CERL sections to clarify survivor benefit are to be paid up to the child’s 22nd birthday as long as the child remains unmarried and enrolled full time. CERL provides for a benefit to be paid to a child over the age of 18 who is regularly enrolled as a full-time student in an accredited school. The benefit is to be paid “through the age of 21.” “Through the age of 21” could mean up to the date that the child turns 21 because as of that date the child is 21 plus one day. On the other hand, it could mean up to the child’s 22nd birthday. This amendment reflects the majority interpretation and practice.</p>
<p>31835.1</p>	<p>Concurrent Retirement: PEPRA members</p>	<p>Adds clarifying language regarding early retirement for PEPRA members who also have legacy status in another system. This section deals with concurrent retirement for reciprocal members who can retire in one system at age 50 but aren’t eligible to retire in the reciprocal system until after age 50, and ensures reciprocity is maintained if they retire in the earlier eligible system. There could be a situation where a member is a Legacy member in the first system, and leaves for more than 180 days and enters the second system as a PEPRA member. If the Legacy system has not passed a resolution to lower age 55 to age 50, then the member could be subject to an age 55 requirement in one system, and an age 50 or 52 requirement in the other system. This amendments adds PEPRA reference to age 52.</p>



Assembly Bill 2101 (2019/2020)

January 19, 2021

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





AB 2101

- AB 2101 was signed into law in September 2020 and became effective January 1, 2021.
- The bill was a consolidation of “clean-up” legislation for CalPERS, CalSTRS and the CERL systems.
- AB 2101 was sponsored by SACRS.



Major Provisions

- Board of Retirement option – to set window (other than 60 days in advance) for members to file for retirement.
- Delegates authority to Administrator of the System to accept and process service retirement applications, approve effective date of retirement and pay members.
- Board of Supervisor's option – to allow members to purchase parental leave time.



Other Changes

- Conforms CERL to IRC regulatory change to Age 72 RMD.
- Clarifies that upon reinstatement after overturn of involuntary termination, the member is returned to previous benefit tier.
- Consolidates military service credit provisions of the CERL to conform to Federal law (adds clarity and removes potential conflicts with Federal law).
- Clarifies that survivor benefits are to be paid up to the child's 22nd birthday.
- Affirms in statute the *Mijares v. OCERS* decision that upheld the Board's authority to set employer contributions.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
Suzanne Jenike, Assistant CEO External Operations
SUBJECT: **UPDATE ON STAFF'S PROGRESS IN RESPONSE TO THE ALAMEDA COUNTY DECISION IN *Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al***

Staff will provide a verbal update on the progress we have made in response to the *Alameda* decision since the Board meeting of December 14, 2020.

Background/Discussion

The California Supreme Court issued an opinion on July 30, 2020 in what is known as the "*Alameda*" case (*Alameda County Deputy Sheriffs Association et al v. Alameda County Employees Retirement Association and Board of Retirement of ACERA* (S247095)).

The issues in the *Alameda* case date back to changes in the definition of pay items that must be excluded from Final Average Salary as provided in the Public Employees' Pension Reform Act (PEPRA) effective January 1, 2013. Specifically, the Supreme Court decision said that PEPRA amounted to a change in the law with respect to the pay items that may be included in the calculation of retirement benefits on and after January 1, 2013; and further, that retirement systems like OCERS have no authority or discretion to calculate pension benefits in a manner inconsistent with the CERL, as amended by PEPRA.

OCERS has long identified members' pay items as pensionable or non-pensionable, depending on how employers report them to OCERS through pay codes. OCERS' preliminary review indicates that only a few pay items may have been affected by PEPRA and are requiring further analysis. These pay items are generally denominated "on-call pay", "stand by pay", "canine pay" and any others that are for work performed outside of normal working hours.

In light of the decision in *Alameda*, all these questionable pay items need to be put through the now clarified PEPRA test that applies to work performed outside normal working hours. The PEPRA test is set forth below, with the questions that staff will use to determine whether the pay and services in question meet the PEPRA test.

PEPRA TEST: Compensation for services rendered outside of normal working hours is not "compensation earnable".

We will address the issue by answering the following questions:

- (i) are the hours worked required to be worked as part of the employee's regular duties;

(ii) are the hours worked ordinarily worked by **all** other members in the same grade/class/rate of pay as the employee; and

(iii) can the hours be voluntarily worked by the employee.

NOTE:

- Normal working hours must be identified in a Memorandum of Understanding (MOU), employment agreement, compensation resolution/ordinance or other official document of the employer.

On August 17, 2020 staff informed the Board of two administrative actions that were implemented immediately:

1. Employee and Employer contributions would no longer be applied to these pay items effective the first full pay period after August 31, 2020. For most employers pay period 20 which started on September 11, 2020 was the pay period in which the change was made.
2. OCERS Team would exclude these pay items from all new benefit set ups beginning on October 1, 2020.

It is critical to note that no action was taken to change benefit allowances that were in place prior to October 1, 2020.

Subsequent to August 17, 2020 OCERS staff has sent informational emails to all employers and major labor groups. We queried the pension administration system database and identified the specific members who would be impacted and mailed these members a letter indicating that we are in the process of evaluating the pay items. We have had meetings with Union Representatives and will continue these discussions while the review is being performed. And finally we are compiling information on the impact to benefit payments in the event that the items are determined to be excluded from compensation earnable. This information, along with Staff's initial determinations on the pensionable status of these pay items will be presented to the Board at a future meeting.

OTHER CERL SYSTEMS

OCERS staff have participated in a number of conference calls, as well as e-mail exchanges with other county systems to learn what actions they are presently taking. Not surprisingly, as with most issues involving the CERL, the impact varies from system to system. A number of systems have no changes to be made. Marin, Sonoma and Tulare in particular have indicated that they had not previously allowed any of the pay items now in question, so they have no actions required due to the ALAMEDA decision.

Some systems have indicated they are making changes now, reducing benefits. It is not clear yet what those systems will do as to retroactive corrections in benefit payments and whether there will be a charge to the member to repay overpaid benefits.

A number of the county systems are like OCERS, trying to better understand the practices of their employer and labor groups before making any changes to current benefit payments. One system reports they are obtaining clarifying documentation from their employers that would suggest certain pay items in question meet the PEPRA test and can continue to be included in Final Average Salary.

Another system interestingly has been applying the PEPRA test for some years to every member at retirement, and has also found certain scenarios where the pay items in question can be included. The OCERS staff is arranging for an upcoming conference call with the Contra Costa team to learn more about the specifics of those members they have found who meet the test standard.

Alameda is taking no specific action at this time as they have some special issues that will need to be resolved coming out of the case that carries their name.

We will continue to keep you informed of how others are dealing with this difficult adjustment for so many of our members.

Submitted by:



SD-Approved

Steve Delaney
Chief Executive Officer

Submitted by:



SJ-Approved

Suzanne Jenike
Assistant Chief Executive Officer, External
Operations



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **COVID-19 UPDATE**

Presentation

The OCERS staff continues to do a great job meeting the COVID-19 challenge and ensuring that our members receive the services they expect as we fulfil this agency's mission. Rather than provide you with a written report of the agency status prior to the Tuesday, January 19th meeting of the OCERS Board of Retirement, I will instead provide a verbal update of plan status and challenges at that time. This recognizes the fact that issues impacted by COVID-19 seem to change daily.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

*Orange County Employees Retirement System
Retirement Board Meeting
January 1, 2021
Application Notices*

Member Name	Agency/Employer	Retirement Date
Addo, Ahmed A	OCTA	10/31/2020
Aquilar, Mary	Health Care Agency	11/6/2020
Aquilar, Rori	Social Services Agency	11/6/2020
Aranda, Gema	Health Care Agency	11/6/2020
Badilla, Sharon	Superior Court	11/20/2020
Banoczi, John	Health Care Agency	10/27/2020
Barbee, Darryl	Fire Authority (OCFA)	11/20/2020
Beaver, Robert	Sheriff's Dept	11/6/2020
Bennett, Hazel	County Clerk/Recorder	11/4/2020
Beverage, Stephanie	OC Community Resources	10/31/2020
Bronilla, Alexander	OCTA	10/20/2020
Burrell, Angela	OC Public Works	10/12/2020
Carlson, Janis	Health Care Agency	11/6/2020
Carson, Michael	Health Care Agency	11/6/2020
Catanzariti, Renee	County Executive Office (CEO)	11/6/2020
Chan, Christine	Sheriff's Dept	11/3/2020
Chapman, Katherine	Superior Court	10/30/2020
Chen, Audrey	Social Services Agency	11/6/2020
Colunqa-Arreola, Anna-Marie	Probation	11/13/2020
Craig, Blancarosa	Health Care Agency	11/14/2020
Crane, Phyllis	Health Care Agency	11/14/2020
Damron, Kristy	Superior Court	11/6/2020
Dao, Loyd Van	OCTA	11/4/2020
D'Arnaud-Guerre, Cynthia	Health Care Agency	11/14/2020
Davis, Martha	Health Care Agency	10/6/2020
Dumitru, Jonathan	Fire Authority (OCFA)	11/25/2020
Dziejowski, David	Public Defender	11/6/2020
Ferrao, Charles	Public Defender	10/24/2020
Flores, Rodrigo	Sheriff's Dept	11/12/2020
Frederick, Jason	Sheriff's Dept	11/12/2020
Gabaldon, Olqa	Probation	10/9/2020
Georgekutty, Thachirazhikath	Sheriff's Dept	11/5/2020
Gillette, Catherine	OC Community Resources	11/20/2020
Gipson, Diane	Health Care Agency	11/20/2020
Glasser, Tamara	Probation	10/25/2020
Gragg, Denise	Public Defender	11/6/2020
Graves, Beverly	Health Care Agency	11/6/2020
Halim, Arif	Probation	10/9/2020
Han, Holly	Health Care Agency	11/18/2020
Heard, Dale	OCWR	11/6/2020
Ho, Ping Shing	County Clerk/Recorder	11/13/2020
Hung, Jaime	Superior Court	11/18/2020
Johnson, Daniel	Probation	11/20/2020
Jones, Stephanie	Sheriff's Dept	11/12/2020
Joyce-Slater, Jean	Sheriff's Dept	11/12/2020
Kaddis, Hoda	Health Care Agency	11/13/2020
Kirk, Frederick	OC Public Works	11/6/2020
Laird, Susan	District Attorney	11/13/2020
Lamb, John	Fire Authority (OCFA)	11/6/2020

<i>Member Name</i>	<i>Agency/Employer</i>	<i>Retirement Date</i>
Lang, Jeanette	OCTA	11/10/2020
Lee, Jung	Sheriff's Dept	11/22/2020
Levine-Jeffery, Beth	Health Care Agency	11/13/2020
Long, Kathleen	County Executive Office (CEO)	11/6/2020
Long, Kerrie	Social Services Agency	11/6/2020
Lubus, Martin	OCTA	11/8/2020
Marble, Steven	Sheriff's Dept	11/12/2020
Martin, Kevin	Sheriff's Dept	11/12/2020
Martinez, Patricia	Clerk of the Board	11/13/2020
Mattsson, Troy	Sheriff's Dept	11/12/2020
Mendez, Diana	Social Services Agency	11/6/2020
Meneely, Shelly	OC Public Works	11/6/2020
Nguyen, Myhanh	OC Community Resources	11/6/2020
Nguyen, Tran	Social Services Agency	11/20/2020
Nissen, Terri	County Counsel	11/6/2020
Paredes, Mirazol	Health Care Agency	11/7/2020
Pastor, Bryan	OCWR	11/13/2020
Pomeroy, Linda	Superior Court	11/20/2020
Raymond, Eric	Sheriff's Dept	10/2/2020
Rice, Brad	Probation	10/29/2020
Richardson, Deborah	Health Care Agency	11/14/2020
Robinson, Allen	OC Community Resources	11/6/2020
Ruiz, Norma	County Counsel	11/6/2020
Saba, Trina	Health Care Agency	11/19/2020
Scoles, Sean	Sheriff's Dept	11/12/2020
Smith, Irma	Health Care Agency	11/6/2020
Streeter, Michell	Sheriff's Dept	11/6/2020
Sullivan, Susie	County Clerk/Recorder	11/6/2020
Thomas, Scott	OC Public Works	11/6/2020
Weinert, Laurena	OCTA	11/22/2020
Williams, Jeffrey	Sheriff's Dept	11/6/2020
Wohkittel, Norman	OC Public Works	11/6/2020
Zarate, Eva	County Counsel	11/6/2020
Zavala, Alberto	Auditor Controller	11/6/2020
Zidbeck, William	District Attorney	11/13/2020

*Orange County Employees Retirement
Retirement Board Meeting
January 19, 2021
Death Notices*

<i>Active Members</i>	<i>Agency/Employer</i>
Chemotti, Daniel	Sanitation District
King, Shari	Social Services Agency
Morgan, Nick	OC Community Resources
Taylor, Kara	Probation

<i>Retired Members</i>	<i>Agency/Employer</i>
Angers, Karen	Fire Authority (OCFA)
Blankenship, Edward	John Wayne Airport
Boutin, Cecilia	Health Care Agency
Calhoun, Susan	Child Support Services
Carter, Cynthia	OCTA
Crothers, Kenneth	OC Public Works
Garcia, Ralph	OCTA
Golding, Jerry	Assessor
Graham, Robert	UCI
Henriksen, Harold	OC Community Resources
Kashkooli, Syamak	Assessor
Lee, Vang	OCTA
Mendoza, Ricardo	Social Services Agency
Mitchell, Yvonne	Probation
Nestlinger, Alan	OC Public Works
Oliver, Charles	OCTA
Osborn, Nolan	Fire Authority (OCFA)
O'Toole, Terence	OCTA
Peterson, Raymond	OCTA
Reichstein, Ralph	OC Public Works
Rice, Donald	Superior Court
Robinson, Kayla	Sheriff's Dept
Romero, Joe	OC Public Works
Rubio, Ema	Probation
Skelly, Robert	District Attorney
Smith, Irene	Superior Court
St. John, Jayne	OC Public Works
Streton, Hans	OCTA
Toombs, Mary	OC Public Works
Urka, Paul	Probation
Vagner, Eva	Assessor
Vaughn, Joseph	OC Public Works

<i>Surviving Spouses</i>	
Beisner, Ruthmarie	

Cate, Mary	
Dudevoir, Russell	
Handy, Wendel	
Hunt, William	
Johnson, Maggie	
Waite, Juanita	



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **CEO FUTURE AGENDAS AND 2021 OCERS BOARD WORK PLAN**

Written Report

AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

FEBRUARY

- 2021 Annual Cost of Living Adjustment
- 2021 Overpaid And Underpaid Plan Benefits Report
- 2021 Policy Compliance Report
- 2021 Outcome of Prior Year Business Plan Report
- 2021 STAR COLA posting
- Alameda Case* – Staff presentation – Informational Only
- CEM Benchmarking Presentation (Tentative Date)

MARCH

- 2021 STAR COLA Final Approval
- Alameda Case* – OCERS Board Determination
- Business Continuity Disaster Recovery Update
- GFOA awards
- OCFA UAAL Snowball Plan (Paydown) Update (Tentative Date)
- Quarterly 2021-2023 Strategic Plan Review

APRIL

- Annual Fiduciary Training
- Brown Act Training (biennial)
- OCERS Different Benefit Plans – An Overview
- SACRS Board of Directors Election (direction to voting delegate)

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS RETIREMENT BOARD - 2021 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
System Oversight		STAR COLA Posting (I)	Approve 2021 STAR COLA (A)	SACRS Board of Directors Election (A)	Preliminary December 31, 2020 Valuation (I)	Mid-Year Review of 2021 Business Plan Progress (I)	Alt. Invest. Return and Assumption Sensitivity: 20-year Illustration (I)	Review 2nd Quarter Budget to Actuals Financial Report (I)	Strategic Planning Workshop (I)	Overview of 2022 Administrative Budget and Investment (Workshop) (I)	Review 3rd Quarter Budget to Actuals Financial Report (I)	
		Approve 2021 COLA (A)	Quarterly 2021-2023 Strategic Plan Review (A)			Approve December 31, 2020 Actuarial Valuation & Funded Status of OCERS (A)	Actuarial Review: Risk Assessment (I)	Receive OCERS by the Numbers (I)	Annual OCERS Employer Review (I)	Approve 2022-2024 Strategic Plan (A)	Approve 2022 Administrative (Operating) Budget (A)	
						Approve 2020 CAFR (A)	Approve Early Payment Rates for Fiscal Year 2021-22 (A)	Receive Evolution of the UAAL (I)		Approve 2022 Business Plan (A)	Annual CEO Performance Review and Compensation (A)	
						Quarterly 2021-2023 Strategic Plan Review (A)		Employer & Employee Pension Cost Comparison (I)				
												Adopt 2022 Board Meeting Calendar (A)
Board Governance				Brown Act Training (I)					Annual Review of Succession Plan (I)			Adopt Annual Work Plan for 2022 (A)
				Fiduciary Training (I)								Vice-Chair Election (A)
Regulation / Policies	Communication Policy Fact Sheet (I)											
Compliance	Status of Board Education Hours for 2020 (I)			Form 700 Due (A)		Receive Financial Audit (I)			State of OCERS (I)			

(A) = Action (I) = Information



Memorandum

DATE: January 5, 2021
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report Background/Discussion

1. **Quiet Period Policy Guidelines**

The following guidelines established by the Quiet Period Policy, section 3.c, will govern a search process for any contract to be awarded by OCERS:

“...Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;”

2. **Quiet Period Guidelines**

In addition, the following language is included in all distributed RFP's:

“From the date of issuance of this RFP until the selection of one or more respondents is completed and announced, respondents are not permitted to communicate with any OCERS staff member or Board Members regarding this procurement, except through the Point of Contact named herein. Respondents violating the communications prohibition may be disqualified at OCERS’ discretion. Respondents having current business with OCERS must limit their communications to the subject of such business.”

Distributed RFP's

The RFP's noted below are subject to the quiet period until such time as a contract(s) is finalized.

- An RFP for an Accounting System (ERP) was released October 30th. We need to replace our current, unsupported system so this RFP is to solicit bids for this effort. Five bids were received with the selected finalists scheduled for demonstration interviews later in January.
- An RFP for the Named Services Provider for Fiduciary Counsel Services will be distributed in late January. Per the Contracting & Procurement Policy, we must do an RFP for Named Service Providers at least every six years. The contract with our current services provider, Reed Smith, will expire on April 30, 2021. (After being in place for six years.)

Submitted by:

Jim Doezie
Contracts, Risk and Performance Administrator



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: BOARD COMMUNICATIONS

Written Report

Background/Discussion

To ensure that the public has free and open access to those items that could have bearing on the decisions of the Trustees of the Board of Retirement, the OCERS Board has directed that all written communications to the entire Board during the interim between regular Board meetings be included in a monthly communications summary.

News Links

The various news and informational articles that have been shared with the full Board are being provided to you here by web link address. By providing the links in this publicly available report, we comply with both the Brown Act public meeting requirements, as well as avoid any copyright issues.

The following news and informational item was provided by staff and the CEO for distribution to the entire Board:

Steve Delaney:

- Nice summary of recent larger NIRS article regarding employer pension obligation funding options.
<https://www.ai-cio.com/news/4-public-pension-funding-strategies-besides-employer-contributions/>
- Interesting tale coming out of private sector that further emphasizes the long term nature of pension promises.
<https://www.ai-cio.com/news/court-rules-pensions-cant-exist-state-limbo/>

Attached:

- OCERS Activities for November 2020

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



Monthly Staff Status November 2020

To the members of the OCERS Board of Retirement,

The following is my regular monthly summary of OCERS staff activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for the month of November 2020.

MEMBER SURVEY RESPONSE

“I came in to get a copy of my benefits for the Social Security Office. My request was handled promptly and I received exactly what I needed.”

February 2020

“OCERS was extremely helpful and very professional. The OCERS representative went above and beyond my expectations.”

March 2020

“I want to express my gratitude to OCERS for their efforts in helping me purchase service credit. OCERS team members were courteous, patient, thorough and responsive. They were outstanding!!!”

April 2020

“Thank you so much for your kindness on the telephone and your prompt response to my request. Everyone one of you at the Board, and in this case, especially you are amazing.”

May 2020

“My retirement appointment was one of the easiest meetings I have ever had.”

June 2020

“OCERS is a mom and pop retirement system that has legendary employees from top to bottom.”

July 2020

“Representative was very informative, helpful and patient.”

August 2020

“Representative was the most professional, caring, efficient and helpful team member I have ever met. They went beyond my expectations.”

September 2020

“I just wanted to drop you a quick note to convey my satisfaction with the assistance I received from OCERS on October 15. When I called your office, I had no idea what to expect, but the OCERS representative’s genuine interest in helping me was a pleasant surprise. Before I spoke to her, I was running out of options, but she reached out to my employer and put me on track to getting the information I need. Whenever I get superior customer service, I like to speak up, and this was definitely one of those occasions.”

October 2020

“OCERS representative was very nice, supportive and accommodating. Representative was able to answer all my questions. Very knowledgeable and patient with me.”

November 2020

Customer Service Statistics

Member Approval: 100%

Un-Planned Recalculations: 0

Retirement Applications Received:

Nov – 2020	52
Oct – 2020	57
Sept – 2020	114
Aug – 2020	229
Jul – 2020	288
Jun – 2020	63
May – 2020	47
Apr – 2020	33
Mar – 2020	80
Feb – 2020	169
Jan – 2020	249
Dec – 2019	75
Nov – 2019	54
Oct – 2019	69
Sept – 2019	38
Aug – 2019	62
July – 2019	53
June – 2019	50
May – 2019	43
Apr – 2019	37
Mar – 2019	107
Feb – 2019	199
Jan – 2019	258



Monthly Staff Status

November 2020

MEMBER SERVICES TELEPHONE METRICS

Member Services Call History			
Month / Year	Incoming Calls Through Queue	Incoming Calls Direct to Extension	Total Calls (Queue + Direct)
November 2020	-	-	6856
November 2019	1148	2013	3161
November 2018	1284	1827	3111

ACTIVITIES

INFORMATIONAL MEETINGS

My monthly OCERS Informational Update meeting with the Board of Supervisor's Executive Assistants continued in November to be via written report, at their request.

My monthly OCERS informational report to the Executive Board of the Retired Employees Association of Orange County (REAOC) was held via Zoom in November.

The monthly OCERS Informational Update meeting for employer and labor stakeholders also continues to be held via Zoom. We had good attendance with 11 stakeholder representatives joining us.

OCERS STAFF LEGAL TRAINING

On November 19 Mr. Manuel Serpa of OCERS' Legal Department put on at my request a mandatory training for the entire staff. He reports here:

The Legal Division conducted training sessions last month that were mandatory for all employees due to the subject matter's importance. The subjects covered were California's "sunshine laws," which are intended to shed light on the conduct of government business and ensure the public's access to governmental records. There was a presentation on the Ralph M. Brown Act, which requires that local agencies conduct their business in open meetings where the public can participate, and on the California Public Records Act, which mandates that a government agency must disclose virtually any of its records; only a statutory exemption or a need for confidentiality that clearly outweighs the public's right to access will justify withholding them. As the public's access to information about OCERS' business is a fundamental right in California, employees were reminded that the work they do, the documents and files they create in their work, and OCERS' board and committee meetings are all open to public scrutiny.



Monthly Staff Status

November 2020

The goal of the training was to help the staff better understand these laws so that they can play their part in making sure we comply with them.

INVESTMENT TEAM ACTIVITY

Mr. Beeson reports on November activity:

As of October 31, 2020, the portfolio year-to-date was up 0.8%, while the one-year return was up 3.5%. The fund value then stood at \$17.5 billion. The OCERS Investment Team continues to work effectively remotely during the coronavirus pandemic. The November 18th Investment Committee meeting took place via video/teleconference on Zoom. Molly Murphy began the meeting discussing the recent strong performance in the markets with the U.S. elections completed and Pfizer and Moderna moving into the last stages of completing vaccines. Next, David Beeson presented the monthly manager selections and terminations report. OCERS committed \$40 million to GGV Capital consisting of \$24 million to GGV Capital VIII, \$6 million to GGV Capital VIII Plus, and \$10 million to GGV Discovery III. This is a re-up investment as OCERS also committed \$30 million to GGV Capital VII and GGV Capital VII Plus. GGV Capital focuses on multi-stage venture investments in the U.S. and China in the information technology sector. Laura Wirick and Stephanie Sorg from Meketa next presented the Q3 2020 portfolio evaluation report. OCERS' portfolio gained 5.0% during the third quarter with global public equities leading the way with an 8.8% return. OCERS' Sharpe Ratio (a measure of the portfolio's risk-adjusted returns) ranks in the top quartile over the trailing three years and in the top decile over the trailing five years for the public defined benefit > \$1 billion peer group. Allan Emkin and Steve McCourt from Meketa then presented the Q3 2020 portfolio risk report. Allan and Steve discussed that even though markets have fully recovered to above pre-COVID levels, significant potential for market volatility exists should economies start to shut back down in response to the recent spike in cases.

UPDATES

ALAMEDA Case

Ms. Jenike and I held daily phone calls through the month of November. We spoke at 4:00 p.m. every day to review activities that had occurred, and discuss our own developing approach to this challenging issue. With Ms. Jenike taking the lead here, we continued to speak to various labor stakeholders, arranged for a meeting in December to fully brief the County of Orange CEO, and had a number of conference calls throughout the month with different CERL system CEO's to see what insight we might gain from better understanding their approach to the same issue.



Monthly Staff Status November 2020

STAFFING

No changes in permanent staffing in November. The pandemic has proved interesting in that we are not seeing the turnover rate in staffing that had been a prior concern. Due to the County's Voluntary Incentive Program which led to a noticeable spike in retirements, we had brought one two Extra Help positions with the Board's approval. With the work wrapping up one of those positions was closed on November 16.



As a reminder you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the January 19, 2021 meeting of the OCERS Board of Retirement.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: 2020 OCERS YEAR IN REVIEW: COMMUNICATION PLAN

Written Report

Background/Discussion

Since 2009 OCERS has crafted a strong outreach communication plan at the start of each year. In that year of 2009 the Great Recession was at its worst, and our goal was to assure our primary stakeholders that the OCERS Board of Retirement was actively involved in tackling the challenges facing the system.

For the past decade we have begun this annual process by meeting with each of the County Supervisors on an individual basis, followed by meetings with each participating employer, major labor group, as well as the Retired Employees Association of Orange County (REAOC). In the ongoing debate over public pension benefits, ensuring a well-educated audience is one of the best methods for quelling rumors and replacing them with facts in order to better guide policy makers.

2020 was a different sort of year of course. Due to pandemic restrictions it took us a few months longer to arrange for the meetings. All stakeholder groups were eventually reached, through a combination of a few in-person meetings (special thanks to Chair Hilton and Vice Chair Dewane who were willing to join me as we met with some of the individual County of Orange Supervisors), and the majority via Zoom.

Because of the restrictions we did not have a general presentation at the Hall of Administration for active members, nor did I make my annual presentation at a REAOC luncheon. Likewise we did not hold any visits to Orange County legislators.

I propose the same process in 2021:

1. Individual meetings of the OCERS Chair, Vice-Chair and CEO with each of the County Supervisors and their support staff.
2. Individual meetings of a team of OCERS Executive Staff (Ms. Jenike, Ms. Shott and me) with the executive staff of each OCERS plan sponsor, as well as with the executive staff of each of our primary labor groups.

These will be held as in the past year either in-person or via Zoom, depending upon official health guidelines then in place.

I will wait until later in the year, and only if official health guidelines change would we proceed with -

3. A presentation for our active members.
4. A presentation at a quarterly REAOC luncheon.

5. Visits to the various members of the Orange County legislative delegation in both Sacramento and Washington DC.

The different stakeholder groups may not necessarily share interest in the same issues or concerns, so I have attached an outline of those topics or accomplishments I believe were of greatest importance in 2020, and have indicated which groups I plan on providing with a more detailed discussion of any given topic.

If there are any other topics you the Trustees feel it is important to share in these meetings, please let me know and I can work with the Chair of the Board to determine how and when to include additional information.

This is a fairly large undertaking, but one I believe well worth the effort. Scheduling conflicts will undoubtedly arise, but I anticipate the bulk of the outreach to be accomplished in the February through May time frame.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

Attached – Matrix of 2020 Discussion Topics.



2020 OCERS Year in Review

TOPIC	ITEM #	MEMBERS	RETIRES	SUPERVISORS	STAKEHOLDERS	LEGISLATORS
COVID UPDATE	1	X	X	X	X	X
ALAMEDA CASE UPDATE	2	X	X	X	X	
OCERS INVESTMENT PROGRAM ACTIVITY	3	X	X	X	X	
2020 FUND EARNINGS	4	X	X	X	X	X
RV KUHNS COMPARISON	5	X	X	X	X	
TWENTY YEAR RATE PROJECTION	6	X		X	X	
OCERS LEGISLATION 2021	7	X	X	X	X	X
OCERS and CYBERSECURITY	8	X	X	X	X	X
PENSION ISSUES NATIONALLY	9	X	X	X	X	X
OCERS BOARD MEMBERSHIP	10	X	X	X	X	X

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



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Suzanne Jenike, Assistant Chief Executive Officer, External Operations
SUBJECT: **DISABILITY RETIREMENT STATISTICS – 2020 REPORT**

Written Report

Background

At the start of each year we compile statistical information capturing the various categories of disability retirement processes that occurred the prior calendar year. The information associated to the 2020 calendar year is presented here for the Board's review.

At the close of 2020, we had accepted eighty four (84) new applications and adjudicated seventy six (76) cases through the Disability Committee and Board of Retirement.

I have also included the statistical reports applicable to the calendar years 2016, 2017, 2018 and 2019 for comparison purposes.

Submitted by:



SJ - Approved

Suzanne Jenike
Assistant CEO, External Operations

2020 DISABILITY STATISTICS

Total Filed 2020:		
By Type:	#	%
SCD	37	44%
NSCD	0	0%
BOTH	47	56%
	84	100%
By Employer:		%
OC Parks	1	1%
District Attorney	3	4%
Health Care Agency	2	2%
Fire Authority	17	20%
Transportation Authority	7	8%
Child Support Services	1	1%
Sanitation	1	1%
Sheriff	37	44%
Public Defender	1	1%
Social Services Agency	5	6%
Probation	5	6%
Superior Court	1	1%
Child Support Services	1	1%
County Counsel	1	1%
Public Works	2	2%
	84	100%
By Member Type:		%
General	35	42%
Safety	49	58%
	84	100%

Total Granted 2020:		
By Type / Stage:	#	%
SCD (Initial Board Decision)	52	93%
NSCD (Initial Board Decision)	3	5%
SCD (Hearings)	1	2%
NSCD (Hearings)	0	0%
SCD (Writ)	0	0%
	56	100%
By Employer:		%
District Attorney	1	2%
Sanitation	0	0%
Fire Authority	24	43%
Health Care Agency	1	2%
Sheriff	10	18%
Public Works	2	4%
OC Information Technology	0	0%
Superior Court	1	2%
Probation	4	7%
Waste and Recycling	0	0%
Community Resources	0	0%
Social Services Agency	4	7%
Transportation Authority	9	16%
	56	100%
By Member Type:		%
General	21	38%
Safety	35	63%
	56	100%

Total Denied 2020:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	14	70%
SCD (Initial Board Decision)	1	5%
NSCD (Initial Board Decision)	0	0%
SCD /NSCD(2nd Board Decision)	5	25%
NSCD (2nd Board Decision)	0	0%
	20	100%
By Employer:		%
Fire Authority	4	20%
Treasurer Tax Collector	1	5%
Probation	1	5%
OCCR	0	0%
Sheriff	4	20%
Social Services Agency	7	35%
Community Resources	1	5%
Superior Court	0	0%
Transportation Authority	1	5%
Registrar of Voters	1	5%
	20	100%
By Member Type:		%
General	14	70%
Safety	6	30%
	20	100%

<u>Disabilities In Process Overview</u>	
Total filings pending Board presentation :	130
Pending Filed within the past 12 months:	84
Pending Filed over 12 months:	46

Regular Board Meeting
January 19, 2021

Total Filed 2019:			#	%
By Type:				
SCD	17	19%		
NSCD	2	2%		
BOTH	71	79%		
90		100%		
By Employer:				
Assessor	1	1%		
Auditor/Controller	1	1%		
Child Support Services	1	1%		
District Attorney	1	1%		
Fire Authority	23	26%		
Health Care Agency	1	1%		
Probation	8	9%		
Public Works	2	2%		
Sheriff	21	23%		
Social Services Agency	16	18%		
Superior Court	1	1%		
Transportation Authority	14	16%		
90		100%		
By Member Type:				
General	49	54%		
Safety	41	46%		
90		100%		

Disabilities in Process Overview
 Pending Board presentation: 95
 Pending filed within the past 12 months: 81
 Pending filed over 12 months: 14

Total Granted 2019:			#	%
By Type / Stage:				
SCD (Initial Board Decision)	58	83%		
NSCD (Initial Board Decision)	11	16%		
SCD (Hearings)	1	1%		
NSCD (Hearings)	0	0%		
SCD (Wrtt)	0	0%		
70		100%		
By Employer:				
Community Resources	2	3%		
Fire Authority	17	24%		
Health Care Agency	1	1%		
Information Technology	1	1%		
Probation	5	7%		
Public Defender	2	3%		
Public Works	1	1%		
Sanitation	1	1%		
Sheriff	14	20%		
Social Services Agency	8	11%		
Superior Court	2	3%		
Transportation Authority	15	21%		
Waste and Recycling	1	1%		
70		100%		
By Member Type:				
General	40	57%		
Safety	30	43%		
70		100%		

Total Denied 2019:			#	%
By Type / Stage:				
SCD/NSCD (Initial Board Decision)	9	28%		
SCD (Initial Board Decision)	16	50%		
NSCD (Initial Board Decision)	0	0%		
SCD/NSCD(2nd Board Decision)	7	22%		
NSCD (2nd Board Decision)	0	0%		
32		100%		
By Employer:				
Auditor/Controller	1	3%		
Community Resources	1	3%		
Health Care Agency	3	9%		
Information Technology	1	3%		
Probation	2	6%		
Sanitation	2	6%		
Sheriff	8	25%		
Social Services Agency	8	25%		
Superior Court	2	6%		
Transportation Authority	4	14%		
32		100%		
By Member Type:				
General	26	81%		
Safety	6	19%		
32		100%		

Total Denied 2018:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	10	50%
SCD (Initial Board Decision)	5	25%
NSCD (Initial Board Decision)	2	10%
SCD/NSCD(2nd Board Decision)	3	15%
NSCD (2nd Board Decision)	0	0%
20	20	100%
By Employer:		
Community Resources	2	10%
Fire Authority	2	10%
Health Care Agency	3	10%
Probation	1	5%
Sanitation	1	5%
Sheriff	4	20%
Social Services Agency	5	25%
Transportation Authority	2	10%
20	20	100%
By Member Type:		
General	15	75%
Safety	5	25%
20	20	100%

Total Granted 2018:		
By Type / Stage:	#	%
SCD (Initial Board Decision)	73	90%
NSCD (Initial Board Decision)	7	9%
SCD (Hearings)	1	1%
NSCD (Hearings)	0	0%
SCD (Writ)	0	0%
81	81	100%
By Employer:		
Auditor Controller	1	1%
District Attorney	2	2%
Fire Authority	22	27%
Health Care Agency	3	4%
Probation	4	5%
Public Works	2	2%
Sanitation	2	2%
Sheriff	29	36%
Social Services Agency	7	9%
Transportation Authority	9	11%
81	81	100%
By Member Type:		
General	32	40%
Safety	49	60%
81	81	100%

Total Filed 2018:		
By Type:	#	%
SCD	29	35%
NSCD	2	2%
BOTH	51	62%
82	82	100%
By Employer:		
Community Resources	2	2%
District Attorney	2	2%
Fire Authority	19	23%
Health Care Agency	3	4%
Probation	4	5%
Public Defender	1	1%
Public Works	1	1%
Sanitation	1	1%
Sheriff	16	20%
Social Services Agency	17	21%
Superior Court	1	1%
Transportation Authority	13	16%
Waste & Recycling	2	2%
82	82	100%
By Member Type:		
General	49	60%
Safety	33	40%
82	82	100%

Disabilities In Process Overview
 Pending Board presentation: 117
 Pending Filed in past 12 mos: 82
 Pending Filed over 12 mos: 35

2017 Disability Statistics

Total Filed 2017:		
By Type:	#	%
SCD	25	35%
NSCD	1	1%
BOTH	45	63%
	71	100%
By Employer:		
Auditor Controller	0	0%
District Attorney	0	0%
Health Care Agency	3	4%
Fire Authority	17	24%
Transportation Authority	8	11%
Public Defender	2	3%
Sanitation	2	3%
Sheriff	25	35%
Social Services Agency	5	7%
Probation	5	7%
Superior Court	1	1%
Community Resources	2	3%
Public Guardian	1	1%
	71	100%
By Member Type:		
General	34	48%
Safety	37	52%
	71	100%

Total Granted 2017:		
By Type / Stage:	#	%
SCD (Initial Board Decision)	62	83%
NSCD (Initial Board Decision)	9	12%
SCD (Hearings)	3	4%
NSCD (Hearings)	1	1%
SCD (Writ)		0%
	75	100%
By Employer:		
Public Defender	3	4%
Sanitation	3	4%
Fire Authority	11	15%
Health Care Agency	4	5%
Sheriff	21	28%
Public Works	4	5%
Superior Court	2	3%
Probation	2	3%
Waste and Recycling	2	3%
Community Resources	5	7%
Social Services Agency	9	12%
Transportation Authority	9	12%
	75	100%
By Member Type:		
General	48	64%
Safety	27	36%
	75	100%

Total Denied 2017:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	13	62%
SCD (Initial Board Decision)	3	14%
NSCD (Initial Board Decision)	1	5%
SCD (2nd Board Decision)	3	14%
NSCD (2nd Board Decision)	1	5%
	21	100%
By Employer:		
Auditor Controller	1	5%
Health Care Agency	0	0%
Sheriff	9	43%
Social Services Agency	5	24%
Fire Authority	2	10%
Transportation Authority	1	5%
Community Resources	2	10%
Sanitation	1	5%
Probation	0	0%
	21	100%
By Member Type:		
General	16	76%
Safety	5	24%
	21	100%

Disabilities In Process Overview		
Total filings pending Board presentation :	113	
Pending Filed within the past 12 months:	68	
Pending Filed over 12 months:	45	

2016 Disability Statistics

Total Denied in 2016:		
By Type / Stage:	#	%
SCD/NSCD (Initial Board Decision)	8	42%
SCD (Initial Board Decision)	8	42%
NSCD (Initial Board Decision)	1	5%
SCD (2nd Board Decision)	1	5%
NSCD (2nd Board Decision)	1	5%
19	19	100%
By Employer:		
Assessor	1	5%
Health Care Agency	1	5%
Sheriff	3	16%
Social Services Agency	4	21%
Fire Authority	1	5%
Transportation Authority	2	11%
Community Resources	3	16%
Sanitation	2	11%
Probation	2	11%
19	19	100%
By Member Type:		
General	17	89%
Safety	2	11%
19	19	100%

Total Granted in 2016		
By Type / Stage:	#	%
SCD (Initial Board Decision)	48	86%
NSCD (Initial Board Decision)	2	4%
SCD (Hearings)	5	9%
NSCD (Hearings)	1	2%
SCD (Writ)		0%
56	56	100%
By Employer:		
District Attorney	3	5%
Sanitation	1	2%
Fire Authority	7	13%
Health Care Agency	2	4%
Sheriff	19	34%
Public Works	5	9%
Human Resource Services	1	2%
Probation	3	5%
Waste and Recycling	3	5%
Community Resources	1	2%
Social Services Agency	2	4%
Transportation Authority	9	16%
56	56	100%
By Member Type:		
General	29	52%
Safety	27	48%
56	56	100%

Total Filed in 2016:		
By Type:	#	%
SCD	36	43%
NSCD	8	10%
BOTH	40	48%
84	84	100%
By Employer:		
Auditor Controller	1	1%
District Attorney	1	1%
Health Care Agency	7	8%
Fire Authority	13	15%
Transportation Authority	13	15%
Public Defender	1	1%
Sanitation	4	5%
Sheriff	21	25%
Social Services Agency	15	18%
Probation	2	2%
Superior Court	1	1%
Community Resources	3	4%
Waste and Recycling	2	2%
84	84	100%
By Member Type:		
General	55	65%
Safety	29	35%
84	84	100%

Applications Pending:	
Total pending adjudication:	126
Filed within the past 12 months:	84
Filed over 12 months:	42

**Summary of Disability Applications and Results
2016 - 2020**

	2016	2017	2018	2019	2020	Total
Disability Applications Filed (Total)	84	71	82	90	84	411
Service Connected Disability	36	25	29	17	37	144
Non Service Connected Disability	8	1	2	2	0	13
Both	40	45	51	71	47	254
New Applications Safety Members	38	49	33	35	49	204
General Members	46	22	49	55	35	207
Disabilities Granted	56	75	81	70	56	338
Disabilities Denied	19	21	20	32	20	112
New Applications, by Employer*	84	71	82	90	84	411
Assessor				1		1
Auditor Controller	1			1		2
Child Support Services				1	1	2
District Attorney	1		2	1	3	7
Health Care Agency	7	3	3	1	2	16
OC Parks					1	1
County Counsel					1	1
OC Community Resources	3	2	2			7
OC Fire Authority	13	17	19	23	17	89
OC Public Guardian/Administrator		1				1
OC Public Works			1	2	2	5
OC Transportation Authority	13	8	13	14	7	55
OC Waste and Recycling	2		2			4
Probation	2	5	4	8	5	24
Public Defender	1	2	1		1	5
Sanitation	4	2	1		1	8
Sheriff's Dept	21	25	16	21	37	120
Social Services Agency						
Superior Court	15	5	17	16	5	58

**If employer is not listed, no applications received from 2016-2020*



Memorandum

DATE: January 19, 2021
TO: Members of Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: **2020 FORM 700 DESIGNATED FILERS LIST AND FACT SHEET**

Written Report

Background/Discussion

The purpose of this memorandum is to advise OCERS Board Members of the requirement that they file a Form 700 – Statement of Economic Interests for the 2020 calendar year on or before April 1, 2021. More information regarding the filing requirements is set forth below.

On or before April 1 of every year, each designated filer under OCERS' Conflict of Interest Code is required to file a Form 700 Statement of Economic Interests to disclose personal economic interests in real property, businesses, and investments as described in the regulations adopted by the California Fair Political Practices Commission (FPPC).

OCERS' designated filers are:

- All members of the Board of Retirement (including Alternate Member)
- Chief Executive Officer
- Chief Investment Officer
- Managing Director of Investments
- Director of Investments
- Investment Officers/Senior Investment Officers
- Investment Analysts/Senior Investment Analysts
- Assistant Chief Executive Officer, External Operations
- Assistant Chief Executive Officer, Finance and Internal Operations
- General Counsel
- Deputy General Counsel
- Director of Internal Audit
- Director of Finance
- Director of Administrative Services
- Director of Information Technology
- Director of Information Security
- Contracts, Risk & Performance Manager

Completing and Filing the Form 700

The Form 700, FPPC Reference Pamphlet, and Frequently Asked Questions for 2020/2021 are attached to assist you in completing your Form 700.

OCERS filers are strongly encouraged to file their Forms 700 using the County of Orange Clerk of the Board EDisclosure system. **All filers will receive an email from the Clerk of the Board's office in the next few weeks providing a link to the EDisclosure system.** The EDisclosure system is very easy to use and allows for direct



Memorandum

filing and permanent electronic storage. The Clerk of the Board's office can assist filers with user names and passwords. In addition, I am available to answer questions regarding filing.

If you prefer to submit a hard copy of your Form 700, please send it to Steve Delaney's assistant, Cammy Torres, by March 26, 2021, so that we can forward it in a timely manner to the Clerk of the Board on your behalf.

Please note that the OCERS Annual Disclosure Policy was rescinded in 2018; accordingly, the filing of the separate Annual Disclosure Form is no longer required.

Attachments:

- (1) Form 700
- (2) FPPC Reference Pamphlet
- (3) Frequently Asked Questions
- (4) Limitations and Restrictions on Gifts, Honoraria, Travel and Loans for Local Officials

Submitted by:



Gina M. Ratto
General Counsel

2020-2021 Statement of Economic Interests



Form 700

A Public Document

Table of Contents

Quick Start Guide p.2
 Who? Where? How? When? p.3
 Types of Statements..... p.4
 Cover Page and Schedules
 Cover Page p.5
 Schedule A-1 (*Investments*)..... p.7
 Schedule A-2 (*Business Entities/Trusts*) p.9
 Schedule B (*Real Property*) p.11
 Schedule C (*Income*)p.13
 Schedule D (*Gifts*).....p.15
 Schedule E (*Travel Payments*).....p.17
 Restrictions and Prohibitionsp.19
 Q & Ap.20

Helpful Resources

- Video Tutorials
- Reference Pamphlet
- Excel Version
- FAQs
- Gift and Travel Fact Sheet for State and Local Officials

California Fair Political Practices Commission

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email Advice: advice@fppc.ca.gov

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916) 322-5660 • Website: www.fppc.ca.gov

December 2020

Quick Start Guide

Detailed instructions begin on page 3.

WHEN IS THE ANNUAL STATEMENT DUE?

- March 1 – Elected State Officers, Judges and Court Commissioners, State Board and Commission members listed in Government Code Section 87200
- April 1 – Most other filers

WHERE DO I FILE?

Most people file the Form 700 with their agency. If you're not sure where to file your Form 700, contact your filing officer or the person who asked you to complete it.

ITEMS TO NOTE!

- The Form 700 is a public document.
- Only filers serving in active military duty may receive an extension on the filing deadline.
- You must also report interests held by your spouse or registered domestic partner.
- Your agency's conflict of interest code will help you to complete the Form 700. You are encouraged to get your conflict of interest code from the person who asked you to complete the Form 700.

NOTHING TO REPORT?

Mark the "No reportable interests" box on Part 4 of the Cover Page, and submit only the signed Cover Page. Please review each schedule carefully!

Schedule	Common Reportable Interests	Common Non-Reportable Interests
A-1: Investments	Stocks, including those held in an IRA or 401K. Each stock must be listed.	Insurance policies, government bonds, diversified mutual funds, funds similar to diversified mutual funds.
A-2: Business Entities/Trusts	Business entities, sole proprietorships, partnerships, LLCs, corporations and trusts. (e.g., Form 1099 filers).	Savings and checking accounts, and annuities.
B: Real Property	Rental property in filer's jurisdiction, or within two miles of the boundaries of the jurisdiction.	A residence used exclusively as a personal residence (such as a home or vacation property).
C: Income	Non-governmental salaries. Note that filers are required to report only half of their spouse's or partner's salary.	Governmental salary (from school district, for example).
D: Gifts	Gifts from businesses, vendors, or other contractors (meals, tickets, etc.).	Gifts from family members.
E: Travel Payments	Travel payments from third parties (not your employer).	Travel paid by your government agency.

Note: Like reportable interests, non-reportable interests may also create conflicts of interest and could be grounds for disqualification from certain decisions.

QUESTIONS?

- advice@fppc.ca.gov
- (866) 275-3772 Mon-Thurs, 9-11:30 a.m.

E-FILING ISSUES?

- If using your agency's system, please contact technical support at your agency.
- If using FPPC's e-filing system, write to form700@fppc.ca.gov.

What's New

Gift Limit Increase

The gift limit increased to **\$520** for calendar years **2021** and **2022**. The gift limit in 2020 was **\$500**.

Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers").
Obtain your disclosure categories, which describe the interests you must report, from your agency; they are not part of the Form 700
- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)

Exception:

- Candidates for a county central committee are not required to file the Form 700.
- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

For more information, see Reference Pamphlet, page 3, at www.fppc.ca.gov.

Where to file:

87200 Filers

State offices	⇒	Your agency
Judicial offices	⇒	The clerk of your court
Retired Judges	⇒	Directly with FPPC
County offices	⇒	Your county filing official
City offices	⇒	Your city clerk
Multi-County offices	⇒	Your agency

Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest

Code: File with your agency, board, or commission unless otherwise specified in your agency's code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body.

Employees in Newly Created Positions of Existing Agencies:

File with your agency or with your agency's code reviewing body. (See Reference Pamphlet, page 3.)

Candidates: File with your local elections office.

How to file:

The Form 700 is available at www.fppc.ca.gov. Form 700 schedules are also available in Excel format. All

statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

When to file:

Annual Statements

⇒ March 1, 2021

- Elected State Officers
- Judges and Court Commissioners
- State Board and State Commission Members listed in Government Code Section 87200

⇒ April 1, 2021

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

Statements of 30 pages or less may be emailed or faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

Exception:

If you assumed office between October 1, 2020, and December 31, 2020, and filed an assuming office statement, you are not required to file an annual statement until March 1, 2022, or April 1, 2022, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2021. (See Reference Pamphlet, page 6, for additional exceptions.)

Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents. A candidate statement is not required if you filed an assuming office or annual statement for the same jurisdiction within 60 days before filing a declaration of candidacy or other nomination documents.

Late Statements

There is no provision for filing deadline extensions unless the filer is serving in active military duty. (See page 19 for information on penalties and fines.)

Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at www.fppc.ca.gov.

Types of Statements

Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Report: Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position.

For positions subject to confirmation by the State Senate or the Commission on Judicial Appointments, your assuming office date is the date you were appointed or nominated to the position.

- Example: Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Report: Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment.

Annual Statement:

Generally, the period covered is January 1, 2020, through December 31, 2020. If the period covered by the statement is different than January 1, 2020, through December 31, 2020, (for example, you assumed office between October 1, 2019, and December 31, 2019 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2020.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

Leaving Office Statement:

Generally, the period covered is January 1, 2020, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2020, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2019, and December 31, 2019, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Report: Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2020.

Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at www.fppc.ca.gov.

Note: Once you file your statement, you may not withdraw it. All changes must be noted on amendment schedules.



**STATEMENT OF ECONOMIC INTERESTS
COVER PAGE
A PUBLIC DOCUMENT**

Date Initial Filing Received
Filing Official Use Only

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: _____ Position: _____

2. Jurisdiction of (Check at least one box)

State

Judge, Retired Judge, Pro Tem Judge, or Court Commissioner
(Statewide Jurisdiction)

Multi-County _____

County of _____

City of _____

Other _____

3. Type of Statement (Check at least one box)

Annual: The period covered is January 1, 2020, through
December 31, 2020.

Leaving Date Left ____/____/_____
(Check one circle.)

-or- The period covered is ____/____/_____, through
December 31, 2020.

The period covered is January 1, 2020, through the date of
leaving

Assuming Date assumed ____/____/_____

-or- The period covered is ____/____/_____, through
the date of leaving

Candidate: Date of Election _____ and sought, if different than Part 1: _____

4. Schedule Summary (must complete) ► Total number of pages including this cover page: _____

Schedules attached

Schedule A-1 - Investments – schedule attached

Schedule C - Income, Loans, & Business Positions – schedule attached

Schedule A-2 - Investments – schedule attached

Schedule D - Income – Gifts – schedule attached

Schedule B - Real Property – schedule attached

Schedule E - Income – Gifts – Travel Payments – schedule attached

-or- None - No reportable interests on any schedule

5. V

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER EMAIL ADDRESS
()

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed _____
(month, day, year)

Signature _____
(File the originally signed paper statement with your filing official.)

Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm’s name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
 - To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

Example:

Brian Bourne is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Brian will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Brian will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.

- If your agency is a multi-county office, list each county in which your agency has jurisdiction.
- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the “other” box and enter the county or city in which the agency has jurisdiction.

Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

1. Agency, or Court	
Agency Name <i>(Do not use acronyms)</i> Feather River Irrigation District	
Division, Board, Department, District, if applicable N/A	Your Position Board Member
▶ If for multiple positions, list below or on an attachment. <i>(Do not use acronyms)</i>	
Agency: N/A	Position:
2. Jurisdiction of <i>(Check at least one box)</i>	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input checked="" type="checkbox"/> Multi-County Yuba & Sutter Counties	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input type="checkbox"/> Other _____

Part 3. Type of Statement

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2020 annual statement, **do not** change the pre-printed dates to reflect 2021. Your annual statement is used for reporting the **previous year’s** economic interests. Economic interests for your annual filing covering January 1, 2021, through December 31, 2021, will be disclosed on your statement filed in 2022. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

Part 4. Schedule Summary

- Complete the Schedule Summary after you have reviewed each schedule to determine if you have reportable interests.
- Enter the total number of completed pages including the cover page and either check the box for each schedule you use to disclose interests; **or** if you have nothing to disclose on any schedule, check the “No reportable interests” box. Please **do not** attach any blank schedules.

Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original “wet” signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2.

When you sign your statement, you are stating, under penalty of perjury, that it is true and correct. Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

SCHEDULE A-1 Investments

Stocks, Bonds, and Other Interests (Ownership Interest is Less Than 10%)

Investments must be itemized.

Do not attach brokerage or financial statements.

CALIFORNIA FORM 700
<small>FAIR POLITICAL PRACTICES COMMISSION</small>
Name

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE

\$2,000 - \$10,000	\$10,001 - \$100,000
\$100,001 - \$1,000,000	Over \$1,000,000

NATURE OF INVESTMENT

Stock Other _____ (Describe)

Partnership Income Received of \$0 - \$499
Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/20	____/____/20
ACQUIRED	DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE

\$2,000 - \$10,000	\$10,001 - \$100,000
\$100,001 - \$1,000,000	Over \$1,000,000

NATURE OF INVESTMENT

Stock Other _____ (Describe)

Partnership Income Received of \$0 - \$499
Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/20	____/____/20
ACQUIRED	DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE

\$2,000 - \$10,000	\$10,001 - \$100,000
\$100,001 - \$1,000,000	Over \$1,000,000

NATURE OF INVESTMENT

Stock Other _____ (Describe)

Partnership Income Received of \$0 - \$499
Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/20	____/____/20
ACQUIRED	DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE

\$2,000 - \$10,000	\$10,001 - \$100,000
\$100,001 - \$1,000,000	Over \$1,000,000

NATURE OF INVESTMENT

Stock Other _____ (Describe)

Partnership Income Received of \$0 - \$499
Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/20	____/____/20
ACQUIRED	DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE

\$2,000 - \$10,000	\$10,001 - \$100,000
\$100,001 - \$1,000,000	Over \$1,000,000

NATURE OF INVESTMENT

Stock Other _____ (Describe)

Partnership Income Received of \$0 - \$499
Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/20	____/____/20
ACQUIRED	DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE

\$2,000 - \$10,000	\$10,001 - \$100,000
\$100,001 - \$1,000,000	Over \$1,000,000

NATURE OF INVESTMENT

Stock Other _____ (Describe)

Partnership Income Received of \$0 - \$499
Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:

____/____/20	____/____/20
ACQUIRED	DISPOSED

Comments: _____

Instructions – Schedules A-1 and A-2 Investments

“Investment” means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. (See Reference Pamphlet, page 13.)

Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the definition of “business entity.”)
- Your spouse’s or registered domestic partner’s investments even if they are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. (See Reference Pamphlet, page 16, for more information on disclosing trusts.)
- Business trusts

You are not required to disclose:

- Government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. (See Reference Pamphlet, page 13.) (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

Use Schedule A-1 to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. (See second example below.)

Use Schedule A-2 to report ownership of 10% or greater (e.g., a sole proprietorship).

To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively. (See page 20 for more information.)
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

Examples:

Frank Byrd holds a state agency position. His conflict of interest code requires full disclosure of investments. Frank must disclose his stock holdings of \$2,000 or more in any company that is located in or does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Alice Lance is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Alice must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.

SCHEDULE A-2

Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one
Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:	
\$0 - \$1,999	____/____/20	____/____/20
\$2,000 - \$10,000	ACQUIRED	DISPOSED
\$10,001 - \$100,000		
\$100,001 - \$1,000,000		
Over \$1,000,000		

NATURE OF INVESTMENT
Partnership Sole Proprietorship _____ Other _____

YOUR BUSINESS POSITION _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one
Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:	
\$0 - \$1,999	____/____/20	____/____/20
\$2,000 - \$10,000	ACQUIRED	DISPOSED
\$10,001 - \$100,000		
\$100,001 - \$1,000,000		
Over \$1,000,000		

NATURE OF INVESTMENT
Partnership Sole Proprietorship _____ Other _____

YOUR BUSINESS POSITION _____

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

\$0 - \$499	\$10,001 - \$100,000
\$500 - \$1,000	OVER \$100,000
\$1,001 - \$10,000	

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

\$0 - \$499	\$10,001 - \$100,000
\$500 - \$1,000	OVER \$100,000
\$1,001 - \$10,000	

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

None or Names listed below

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

None or Names listed below

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
INVESTMENT REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or City or Other Precise Location of Real Property

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:	
\$2,000 - \$10,000	____/____/20	____/____/20
\$10,001 - \$100,000	ACQUIRED	DISPOSED
\$100,001 - \$1,000,000		
Over \$1,000,000		

NATURE OF INTEREST
Property Ownership/Deed of Trust Stock Partnership

Leasehold _____ Other _____
Yrs. remaining

Check box if additional schedules reporting investments or real property are attached

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
INVESTMENT REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or City or Other Precise Location of Real Property

FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:	
\$2,000 - \$10,000	____/____/20	____/____/20
\$10,001 - \$100,000	ACQUIRED	DISPOSED
\$100,001 - \$1,000,000		
Over \$1,000,000		

NATURE OF INTEREST
Property Ownership/Deed of Trust Stock Partnership

Leasehold _____ Other _____
Yrs. remaining

Check box if additional schedules reporting investments or real property are attached

Comments: _____

Instructions – Schedule A-2 Investments, Income, and Assets of Business Entities/Trusts

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children, together or separately, had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

To Complete Schedule A-2:

Part 1. Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

Part 2. Check the box indicating **your pro rata** share of the **gross** income received **by** the business entity or trust. This amount includes your pro rata share of the **gross** income **from** the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

Part 3. Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan **to the business entity or trust** identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting

period. (See Reference Pamphlet, page 11, for examples.) Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. (See Reference Pamphlet, page 8.)

You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" are not adequate disclosure. (See Reference Pamphlet, page 14, for information on procedures to request an exemption from disclosing privileged information.)

Part 4. Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION
Name

SCHEDULE B

Interests in Real Property

(Including Rental Income)

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY _____

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:

\$2,000 - \$10,000	____/____/20	____/____/20
\$10,001 - \$100,000	ACQUIRED	DISPOSED
\$100,001 - \$1,000,000		
Over \$1,000,000		

NATURE OF INTEREST

Ownership/Deed of Trust	Easement
Leasehold _____	_____
Yrs. remaining	Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

\$0 - \$499	\$500 - \$1,000	\$1,001 - \$10,000
\$10,001 - \$100,000	OVER \$100,000	

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

None

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY _____

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:

\$2,000 - \$10,000	____/____/20	____/____/20
\$10,001 - \$100,000	ACQUIRED	DISPOSED
\$100,001 - \$1,000,000		
Over \$1,000,000		

NATURE OF INTEREST

Ownership/Deed of Trust	Easement
Leasehold _____	_____
Yrs. remaining	Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

\$0 - \$499	\$500 - \$1,000	\$1,001 - \$10,000
\$10,001 - \$100,000	OVER \$100,000	

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

None

* You are not required to report loans from a commercial lending institution made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER* _____

ADDRESS (Business Address Acceptable) _____

BUSINESS ACTIVITY, IF ANY, OF LENDER _____

INTEREST RATE TERM (Months/Years)

_____ %	None	_____
---------	------	-------

HIGHEST BALANCE DURING REPORTING PERIOD

\$500 - \$1,000	\$1,001 - \$10,000
\$10,001 - \$100,000	OVER \$100,000

Guarantor, if applicable _____

NAME OF LENDER* _____

ADDRESS (Business Address Acceptable) _____

BUSINESS ACTIVITY, IF ANY, OF LENDER _____

INTEREST RATE TERM (Months/Years)

_____ %	None	_____
---------	------	-------

HIGHEST BALANCE DURING REPORTING PERIOD

\$500 - \$1,000	\$1,001 - \$10,000
\$10,001 - \$100,000	OVER \$100,000

Guarantor, if applicable _____

Comments: _____

Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. Real property is also considered to be "within the jurisdiction" of a local government agency if the property or any part of it is located within two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency. (See Reference Pamphlet, page 13.)

Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

You are not required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)
- Some interests in real property held through a blind trust (See Reference Pamphlet, page 16.)
 - **Please note:** A non-reportable property can still be grounds for a conflict of interest and may be disqualifying.

To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold,

Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 is not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

disclose the number of years remaining on the lease.

- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."
- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

Example:

Allison Gande is a city planning commissioner. During the reporting period, she received rental income of \$12,000, from a single tenant who rented property she owned in the city's jurisdiction. If Allison received \$6,000 each from two tenants, the tenants' names would not be required because no single tenant paid her \$10,000 or more. A married couple is considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS 4600 24th Street	
CITY Sacramento	
FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$2,000 - \$10,000	<input type="checkbox"/> 12 XX / 19 XX
<input type="checkbox"/> \$10,001 - \$100,000	<input type="checkbox"/> ACQUIRED
<input checked="" type="checkbox"/> \$100,001 - \$1,000,000	<input type="checkbox"/> DISPOSED
<input type="checkbox"/> Over \$1,000,000	
NATURE OF INTEREST	
<input type="checkbox"/> Ownership/Deed of Trust	<input type="checkbox"/> Easement
<input type="checkbox"/> Leasehold	<input type="checkbox"/> Other
IF RENTAL PROPERTY, GROSS INCOME RECEIVED	
<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$500 - \$1,000
<input checked="" type="checkbox"/> \$10,001 - \$100,000	<input type="checkbox"/> OVER \$100,000
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.	
<input type="checkbox"/> None	
Henry Wells	
NAME OF LENDER*	
Sophia Petroillo	
ADDRESS (Business Address Acceptable)	
2121 Blue Sky Parkway, Sacramento	
BUSINESS ACTIVITY, IF ANY, OF LENDER	
Restaurant Owner	
INTEREST RATE	TERM (Months/Years)
8 % <input type="checkbox"/> None	15 Years
HIGHEST BALANCE DURING REPORTING PERIOD	
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> \$1,001 - \$10,000
<input checked="" type="checkbox"/> \$10,001 - \$100,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> Guarantor, if applicable	
Comments:	

SCHEDULE C

Income, Loans, & Business Positions

(Other than Gifts and Travel Payments)

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name _____

▶ 1. INCOME RECEIVED		▶ 1. INCOME RECEIVED	
NAME OF SOURCE OF INCOME _____		NAME OF SOURCE OF INCOME _____	
ADDRESS <i>(Business Address Acceptable)</i> _____		ADDRESS <i>(Business Address Acceptable)</i> _____	
BUSINESS ACTIVITY, IF ANY, OF SOURCE _____		BUSINESS ACTIVITY, IF ANY, OF SOURCE _____	
YOUR BUSINESS POSITION _____		YOUR BUSINESS POSITION _____	
GROSS INCOME RECEIVED	No Income - Business Position Only	GROSS INCOME RECEIVED	No Income - Business Position Only
\$500 - \$1,000	\$1,001 - \$10,000	\$500 - \$1,000	\$1,001 - \$10,000
\$10,001 - \$100,000	OVER \$100,000	\$10,001 - \$100,000	OVER \$100,000
CONSIDERATION FOR WHICH INCOME WAS RECEIVED		CONSIDERATION FOR WHICH INCOME WAS RECEIVED	
Salary	Spouse's or registered domestic partner's income <i>(For self-employed use Schedule A-2.)</i>	Salary	Spouse's or registered domestic partner's income <i>(For self-employed use Schedule A-2.)</i>
Partnership <i>(Less than 10% ownership. For 10% or greater use Schedule A-2.)</i>		Partnership <i>(Less than 10% ownership. For 10% or greater use Schedule A-2.)</i>	
Sale of _____ <i>(Real property, car, boat, etc.)</i>		Sale of _____ <i>(Real property, car, boat, etc.)</i>	
Loan repayment		Loan repayment	
Commission or Rental Income, <i>list each source of \$10,000 or more</i>		Commission or Rental Income, <i>list each source of \$10,000 or more</i>	
_____ <i>(Describe)</i>		_____ <i>(Describe)</i>	
Other _____ <i>(Describe)</i>		Other _____ <i>(Describe)</i>	

▶ 2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD

* You are not required to report loans from a commercial lending institution, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER* _____	INTEREST RATE _____ %	TERM (Months/Years) _____
ADDRESS <i>(Business Address Acceptable)</i> _____	None _____	
BUSINESS ACTIVITY, IF ANY, OF LENDER _____	SECURITY FOR LOAN	
HIGHEST BALANCE DURING REPORTING PERIOD	None _____ Personal residence _____	
\$500 - \$1,000	Real Property _____ <i>Street address</i>	
\$1,001 - \$10,000	_____ <i>City</i>	
\$10,001 - \$100,000	Guarantor _____	
OVER \$100,000	Other _____ <i>(Describe)</i>	

Comments: _____

Instructions – Schedule C Income, Loans, & Business Positions (Income Other Than Gifts and Travel Payments)

Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. (See Reference Pamphlet, page 11.) You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

The source and income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. (See Reference Pamphlet, page 13.) Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10.)
- Incentive compensation (See Reference Pamphlet, page 12.)

Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

(See Reference Pamphlet, page 12.)

To Complete Schedule C:

Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. (See Reference Pamphlet, page 8.) **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
 - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
 - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 Name _____

SCHEDULE D
Income – Gifts

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

 ADDRESS *(Business Address Acceptable)*

 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: _____

Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

Reminders

- Gifts from a single source are subject to a **\$500** limit in **2020**. (See Reference Pamphlet, page 10.)
- Code filers – you only need to report gifts from reportable sources.

Gift Tracking Mobile Application

- FPPC has created a gift tracking app for mobile devices that helps filers track gifts and provides a quick and easy way to upload the information to the Form 700. Visit FPPC's website to download the app.

You are not required to disclose:

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes
- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist registered to lobby your state agency, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- Free admission, food, and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event.
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's state agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 Name _____

SCHEDULE E
Income – Gifts
Travel Payments, Advances,
and Reimbursements

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. Per Government Code Section 89506, these payments may not be subject to the gift limit. However, they may result in a disqualifying conflict of interest.
- For gifts of travel, provide the travel destination.

<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____</p> <p>ADDRESS <i>(Business Address Acceptable)</i> _____</p> <p>CITY AND STATE _____</p> <p>501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$ _____ <i>(If gift)</i></p> <p>▶ MUST CHECK ONE: Gift -or- Income</p> <p> Made a Speech/Participated in a Panel</p> <p> Other - Provide Description _____</p> <p>▶ If Gift, Provide Travel Destination _____</p>	<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____</p> <p>ADDRESS <i>(Business Address Acceptable)</i> _____</p> <p>CITY AND STATE _____</p> <p>501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$ _____ <i>(If gift)</i></p> <p>▶ MUST CHECK ONE: Gift -or- Income</p> <p> Made a Speech/Participated in a Panel</p> <p> Other - Provide Description _____</p> <p>▶ If Gift, Provide Travel Destination _____</p>
<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____</p> <p>ADDRESS <i>(Business Address Acceptable)</i> _____</p> <p>CITY AND STATE _____</p> <p>501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$ _____ <i>(If gift)</i></p> <p>▶ MUST CHECK ONE: Gift -or- Income</p> <p> Made a Speech/Participated in a Panel</p> <p> Other - Provide Description _____</p> <p>▶ If Gift, Provide Travel Destination _____</p>	<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i> _____</p> <p>ADDRESS <i>(Business Address Acceptable)</i> _____</p> <p>CITY AND STATE _____</p> <p>501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE _____</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$ _____ <i>(If gift)</i></p> <p>▶ MUST CHECK ONE: Gift -or- Income</p> <p> Made a Speech/Participated in a Panel</p> <p> Other - Provide Description _____</p> <p>▶ If Gift, Provide Travel Destination _____</p>

Comments: _____

Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. (See the FPPC fact sheet entitled “Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans” to read about travel payments under section 89506(a).)

You are not required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received, such as reimbursement for travel on agency business from your government agency employer.
- A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes.
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C.
- A travel payment that was received from a nonprofit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.

Note: Certain travel payments may not be reportable if reported via email on Form 801 by your agency.

To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
 - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement.

When reporting travel payments that are gifts, you must provide a description of the gift, the **date(s)** received, and the **travel destination**.

- **Travel payments are income** if you provided services that were equal to or greater in value than the

payments received. You must disclose income totaling \$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

Example:

City council member MaryClaire Chandler is the chair of a 501(c)(6) trade association, and the association pays for her travel to attend its meetings. Because MaryClaire is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for MaryClaire to attend other events for which she is not providing services are likely considered gifts. Note that the same payment from a 501(c)(3) would NOT be reportable.

▶ NAME OF SOURCE (Not an Acronym)	
Health Services Trade Association	
ADDRESS (Business Address Acceptable)	
1230 K Street, Suite 610	
CITY AND STATE	
Sacramento, CA	
<input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
Association of Healthcare Workers	
DATE(S):	AMT: \$550.00
(if gift)	
▶ MUST CHECK ONE: <input type="checkbox"/> Gift -or- <input checked="" type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description: Travel reimbursement for board meeting.	
▶ If Gift, Provide Travel Destination	

Example:

Mayor Kim travels to China on a trip organized by China Silicon Valley Business Development, a California nonprofit, 501(c)(6) organization. The Chengdu Municipal People's Government pays for Mayor Kim's airfare and travel costs, as well as his meals and lodging during the trip. The trip's agenda shows that the trip's purpose is to promote job creation and economic activity in China and in Silicon Valley, so the trip is reasonably related to a governmental purpose. Thus, Mayor Kim must report the gift of travel, but the gift is exempt from the gift limit. In this case, the travel payments are not subject to the gift limit because the source is a foreign government and because the travel is reasonably related to a governmental purpose. (Section 89506(a)(2).) Note that Mayor Kim could be disqualified from participating in or making decisions about The Chengdu Municipal People's Government for 12 months. Also note that if China Silicon Valley Business Development (a 501(c)(6) organization) paid for the travel costs rather than the governmental organization, the payments would be subject to the gift limits. (See the FPPC fact sheet, Limitations and Restrictions on Gifts, Honoraria, Travel and Loans, at www.fppc.ca.gov.)

▶ NAME OF SOURCE (Not an Acronym)	
Chengdu Municipal People's Government	
ADDRESS (Business Address Acceptable)	
2 Caoshi St, CaoShiJie, Qingyang Qu, Chengdu Shi,	
CITY AND STATE	
Sichuan Sheng, China, 610000	
<input type="checkbox"/> 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE	
DATE(S):	AMT: \$3,874.38
(if gift)	
▶ MUST CHECK ONE: <input checked="" type="checkbox"/> Gift -or- <input type="checkbox"/> Income	
<input type="radio"/> Made a Speech/Participated in a Panel	
<input checked="" type="radio"/> Other - Provide Description: Travel reimbursement for trip to China.	
▶ If Gift, Provide Travel Destination	
Sichuan Sheng, China	

Restrictions and Prohibitions

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. In 2021-2022, the gift limit increased to \$520 from a single source during a calendar year. In 2019 and 2020, the gift limit was \$500 from a single source during a calendar year.

Additionally, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose. For example, a personal residence is often not reportable, but may be grounds for disqualification. Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must publicly identify the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18707, and the Guide to Recognizing Conflicts of Interest page at www.fppc.ca.gov.

Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. (See Reference Pamphlet, page 10.)

Loan Restrictions

Certain state and local officials are subject to restrictions

on loans. (See Reference Pamphlet, page 14.)

Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

For assistance concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to advice@fppc.ca.gov.
- Call the FPPC toll-free at (866) 275-3772.

Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

Questions and Answers

General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.
- On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.
- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as “acting,” “interim,” or “alternate” must file as if they hold the position because they are or may be performing the duties of the position.
- Q. My spouse and I are currently separated and in the process of obtaining a divorce. Must I still report my spouse’s income, investments, and interests in real property?
- A. Yes. A public official must continue to report a spouse’s economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse’s income may not have to be reported. Contact the FPPC for more information.

Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?

- A. Yes. You may also need to file an assuming office statement for the new agency.

Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of “doing business in the jurisdiction” is not limited to whether the business has an office or physical location in your jurisdiction. (See Reference Pamphlet, page 13.)
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. The value of my stock changed during the reporting period. How do I report the value of the stock?
- A. You are required to report the highest value that the stock reached during the reporting period. You may use your monthly statements to determine the highest value. You may also use the entity’s website to determine the highest value. You are encouraged to keep a record of where you found the reported value. Note that for an assuming office statement, you must report the value of the stock on the date you assumed office.

Questions and Answers Continued

Q. I am the sole owner of my business, an S-Corporation. I believe that the nature of the business is such that it cannot be said to have any "fair market value" because it has no assets. I operate the corporation under an agreement with a large insurance company. My contract does not have resale value because of its nature as a personal services contract. Must I report the fair market value for my business on Schedule A-2 of the Form 700?

A. Yes. Even if there are no *tangible* assets, intangible assets, such as relationships with companies and clients are commonly sold to qualified professionals. The "fair market value" is often quantified for other purposes, such as marital dissolutions or estate planning. In addition, the IRS presumes that "personal services corporations" have a fair market value. A professional "book of business" and the associated goodwill that generates income are not without a determinable value. The Form 700 does not require a precise fair market value; it is only necessary to check a box indicating the broad range within which the value falls.

Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed" fields?

A. No. You must only report dates in the "Acquired" or "Disposed" fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.

Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?

A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?

A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

Income Disclosure

Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?

A. No, only the clients located in or doing business on a regular basis in your jurisdiction must be disclosed.

Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California or Federal law. This regulation may be obtained from our website at www.fppc.ca.gov. (See Reference Pamphlet, page 14.)

Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?

A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the "comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.

Questions and Answers Continued

Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. (See Reference Pamphlet, page 8.)

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before the client's name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. (See Reference Pamphlet, page 14.)

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. I am a city manager, and I own a rental property located in an adjacent city, but one mile from the city limit. Do I need to report this property interest?

A. Yes. You are required to report this property because it is located within 2 miles of the boundaries of the city you manage.

Q. Must I report a home that I own as a personal residence for my daughter?

A. You are not required to disclose a home used as a personal residence for a family member unless you receive income from it, such as rental income.

Q. I am a co-signer on a loan for a rental property owned by a friend. Since I am listed on the deed of trust, do I need to report my friend's property as an interest in real property on my Form 700?

A. No. Simply being a co-signer on a loan for property does not create a reportable interest in real property for you.

Gift Disclosure

Q. If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

Questions and Answers Continued

- Q. Julia and Jared Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?
- A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2020 the gift limit was \$500, so the Bensons may have given the supervisor artwork valued at no more than **\$1,000**. The supervisor must identify Jared and Julia Benson as the sources of the gift.
- Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?
- A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.
- Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?
- A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.
- Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.
- A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.

2020/2021 Form 700 Statement of Economic Interests



Reference Pamphlet

California Fair Political Practices Commission

1102 Q Street, Suite 3000 • Sacramento, CA 95811

Email advice: advice@fppc.ca.gov

Toll-free advice line: 1 (866) ASK-FPPC • (866) 275-3772

Telephone: (916) 322-5660 • Website: www.fppc.ca.gov

December 2020

Contents

- Who Must File Page 3
- Types of Form 700 Filings..... Page 4
- Where to File..... Page 5
- When to File..... Page 6
- Terms & Definitions Page 8

Who Must File

1. Officials and Candidates Specified in Gov. Code Section 87200 and Members of Boards and Commissions of Newly Created Agencies

The Act requires the following individuals to fully disclose their personal assets and income described in Form 700, Statement of Economic Interests:

State Offices

- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Insurance Commissioner
- Secretary of State
- Treasurer
- Members of the State Legislature
- Superintendent of Public Instruction
- State Board of Equalization Members
- Public Utilities Commissioners
- State Energy Resources Conservation and Development Commissioners
- State Coastal Commissioners
- Fair Political Practices Commissioners
- State public officials (including employees and consultants) who manage public investments
- Elected members of and candidates for the Board of Administration of the California Public Employees' Retirement System
- Elected members of and candidates for the Teachers' Retirement Board
- Members of the High Speed Rail Authority

Other officials and employees of state boards, commissions, agencies, and departments file Form 700 as described in Part 2 on this page.

Judicial Offices

- Supreme, Appellate, and Superior Court Judges
- Court Commissioners
- Retired Judges, Pro-Tem Judges, and part-time Court Commissioners who serve or expect to serve 30 days or more in a calendar year

County and City Offices

- Members of Boards of Supervisors
- Mayors and Members of City Councils
- Chief Administrative Officers
- District Attorneys
- County Counsels
- City Attorneys
- City Managers
- Planning Commissioners
- County and City Treasurers
- County and city public officials (including employees and consultants) who manage public investments

Members of Boards and Commissions of Newly Created Agencies

Members must fully disclose their investments, interests in real property, business positions, and income (including loans, gifts, and travel payments) until the positions are covered under a conflict of interest code.

2. State and Local Officials, Employees, Candidates, and Consultants Designated in a Conflict of Interest Code ("Code Filers")

The Act requires every state and local government agency to adopt a unique conflict of interest code. The code lists each position within the agency filled by individuals who make or participate in making governmental decisions that could affect their personal economic interests.

The code requires individuals holding those positions to periodically file Form 700 disclosing certain personal economic interests as determined by the code's "disclosure categories." These individuals are called "designated employees" or "code filers."

Obtain your disclosure categories from your agency – they are not contained in the Form 700. Persons with broad decisionmaking authority must disclose more interests than those in positions with limited discretion. For example, you may be required to disclose only investments and business positions in or income (including loans, gifts, and travel payments) from businesses of the type that contract with your agency, or you may not be required to disclose real property interests.

In addition, certain consultants to public agencies may qualify as public officials because they make, participate in making, or act in a staff capacity for governmental decisions. Agencies determine who is a consultant and the level of disclosure and may use Form 805.

Note: An official who holds a position specified in Gov. Code Section 87200 is not required to file statements under the conflict of interest code of any agency that has the same or a smaller jurisdiction (for example, a state legislator who also sits on a state or local board or commission).

Employees in Newly Created Positions of Existing Agencies

An individual hired for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the agency's broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. The Form 804 may be used to satisfy this requirement.

Types of Form 700 Filings

Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Report: Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position.

For positions subject to confirmation by the State Senate or the Commission on Judicial Appointments, your assuming office date is the date you were appointed or nominated to the position.

- Example: Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Report: Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment.

Annual Statement:

Generally, the period covered is January 1, 2020, through December 31, 2020. If the period covered by the statement is different than January 1, 2020, through December 31, 2020, (for example, you assumed office between October 1, 2019, and December 31, 2019 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2020.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

Leaving Office Statement:

Generally, the period covered is January 1, 2020, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2020, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2019, and December 31, 2019, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Report: Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2020.

Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at www.fppc.ca.gov.

Where to File

1. Officials Specified in Gov. Code Section 87200 (See Reference Pamphlet, page 3):

In most cases, the filing officials listed below will retain a copy of your statement and forward the original to the FPPC.

Filers	Where to File
87200 Filers	
State offices	Your agency
Judicial offices	The clerk of your court
Retired Judges	Directly with FPPC
County offices	Your county filing official
City offices	Your city clerk
Multi-County offices	Your agency
87200 Candidates	
State offices	County elections official with whom you file your declaration of candidacy
Judicial offices	
Multi-County offices	
County offices	County elections official
City offices	City Clerk
Public Employees' Retirement System (CalPERS)	CalPERS
State Teachers' Retirement Board (CalSTRS)	CalSTRS

Note: Individuals that invest public funds for a city or county agency must file Form 700 with the agency. Unlike most other 87200 filers, the original statement will **not** be forwarded to the FPPC pursuant to Regulation 18753.

2. Code Filers — State and Local Officials, Employees, Candidates, and Consultants Designated in a Conflict of Interest Code:

File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code. In most cases, the agency, board, or commission will retain the statements.

Candidates for local elective offices designated in a conflict of interest code file with the elections office where the declaration of candidacy or other nomination documents are filed.

3. Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body as provided by your code reviewing body.

State Senate and Assembly staff members file statements directly with the FPPC.

Exceptions:

- Elected state officers are not required to file statements under any agency's conflict of interest code.
- Filers listed in Section 87200 are not required to file statements under any agency's conflict of interest code in the same jurisdiction. For example, a county supervisor who is appointed to serve in an agency with jurisdiction in the same county has no additional filing obligations.

4. Positions Not Yet Covered Under a Conflict of Interest Code

An individual hired for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for this disclosure. Such individuals are referred to as "code filers." See Regulation 18734.

When to File

Assuming Office Statements:

Filer	Deadline
Elected officials	30 days after assuming office
Appointed positions specified in Gov. Code Section 87200 or Newly created board and commission members not covered by a conflict of interest code	30 days after assuming office or 10 days after appointment or nomination if subject to Senate or judicial confirmation
Other appointed positions (including those held by newly-hired employees) that are or will be designated in a conflict of interest code	30 days after assuming office (30 days after appointment or nomination if subject to Senate confirmation)
Positions newly added to a new or amended conflict of interest code	30 days after the effective date of the code or code amendment

Exceptions:

- Elected state officers who assume office in December or January are not required to file an assuming office statement, but will file the next annual statement due.
- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file an assuming office statement. Instead, you will simply file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 and, within 45 days, you assume another office or position specified in Section 87200 that has the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required to file an assuming office statement. Instead, you will simply file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

Late statements are subject to a late fine of \$10 per day per position up to \$100 for each day the statement is late.

Annual Statements:

- Elected state officers (including members of the state legislature, members elected to the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board);
Judges and court commissioners; and
Members of state boards and commissions specified in Gov. Code Section 87200:
File no later than **Monday, March 1, 2021**.
- County and city officials specified in Gov. Code Section 87200:
File no later than **Wednesday, April 1, 2021**.
- Multi-County officials:
File no later than **Wednesday, April 1, 2021**.
- State and local officials and employees designated in a conflict of interest code:
File on the date prescribed in the code (April 1 for most filers).

Exception:

If you assumed office between October 1, 2020, and December 31, 2020, and filed an assuming office statement, you are not required to file an annual statement until March 1, 2022, or April 1, 2022, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2021.

Incumbent officeholders who file candidate statements also must file annual statements by the specified deadlines.

When to File - (continued)

Leaving Office Statements:

Leaving office statements must be filed no later than 30 days after leaving the office or position.

Exceptions:

- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file a leaving office statement. Instead, you will simply file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 and, within 45 days, you assume another office or position specified in Section 87200 that has the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required to file a leaving office statement. Instead, you will simply file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

Candidate Statements:

All candidates (including incumbents) for offices specified in Gov. Code Section 87200 must file statements no later than the final filing date for their declaration of candidacy.

Candidates seeking a position designated in a conflict of interest code must file no later than the final filing date for the declaration of candidacy or other nomination documents.

Exception:

A candidate statement is not required if you filed an assuming office or annual statement for the same jurisdiction **within 60 days** before filing a declaration of candidacy or other nomination documents.

Late Statements:

Late statements should be submitted as soon as possible after the filing deadline, in the same manner and place as a timely filed statement.

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or District Attorney) for investigation and possible prosecution. In addition to the late filing penalties from the filing officer, a fine of up to \$5,000 per violation may be imposed.

Terms & Definitions

The instructions located on the back of each schedule describe the types of interests that must be reported. The purpose of this section is to explain other terms used in Form 700 that are not defined in the instructions to the schedules or elsewhere.

Blind Trust: See Trusts, Reference Pamphlet, page 16.

Business Entity: Any organization or enterprise operated for profit, including a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, or association. This would include a business for which you take business deductions for tax purposes (for example, a small business operated in your home).

Code Filer: An individual who has been designated in a state or local agency's conflict of interest code to file statements of economic interests.

An individual hired on or after January 1, 2020 for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for such disclosure. See Regulation 18734.

Commission Income: "Commission income" means gross payments of \$500 or more received during the period covered by the statement as a broker, agent, or salesperson, including insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers, and retail or wholesale salespersons, among others.

In addition, you may be required to disclose the names of sources of commission income if your pro rata share of the gross income was \$10,000 or more from a single source during the reporting period. If your spouse or registered domestic partner received commission income, you would disclose your community property share (50%) of that income (that is, the names of sources of \$20,000 or more in gross commission income received by your spouse or registered domestic partner).

Report commission income as follows:

- If the income was received through a business entity in which you and your spouse or registered domestic partner had a 10% or greater ownership interest (or if you receive commission income on a regular basis as an independent contractor or agent), use Schedule A-2.
- If the income was received through a business entity in which you or your spouse or registered domestic partner **did not receive commission income on a regular basis** or you had a less than 10% ownership interest, use Schedule C.

The "source" of commission income generally includes all parties to a transaction, and each is attributed the full value of the commission.

Examples:

- You are a partner in Jameson and Mulligan Insurance Company and have a 50% ownership interest in the company. You sold two Businessmen's Insurance Company policies to XYZ Company during the reporting period. You received commission income of \$5,000 from the first transaction and \$6,000 from the second. On Schedule A-2, report your partnership interest in and income received from Jameson and Mulligan Insurance Company in Parts 1 and 2. In Part 3, list both Businessmen's Insurance Company and XYZ Company as sources of \$10,000 or more in commission income.
- You are a stockbroker for Prince Investments, but you have no ownership interest in the firm. You receive commission income on a regular basis through the sale of stock to clients. Your total gross income from your employment with Prince Investments was over \$100,000 during the reporting period. On Schedule A-2, report your name as the name of the business entity in Part 1 and the gross income you have received in Part 2. (Because you are an employee of Prince Investments, you do not need to complete the information in the box in Part 1 indicating the general description of business activity, fair market value, or nature of investment.) In Part 3, list Prince Investments and the names of any clients who were sources of \$10,000 or more in commission income to you.
- You are a real estate agent and an independent contractor under Super Realty. On Schedule A-2, Part 1, in addition to your name or business name, complete the business entity description box. In Part 2, identify your gross income. In Part 3, for each transaction that resulted in commission income to you of \$10,000 or more, you must identify the brokerage entity, each person you represented, and any person who received a finder's or other referral fee for referring a party to the transaction to the broker.

Note: If your pro rata share of commission income from a single source is \$500 or more, you may be required to disqualify yourself from decisions affecting that source of income, even though you are not required to report the income. (See *Reference Pamphlet, page 12.*)

Terms & Definitions - (continued)

Conflict of Interest: A public official or employee has a conflict of interest under the Act when all of the following occur:

- The official makes, participates in making, or uses his or her official position to influence a governmental decision;
- It is reasonably foreseeable that the decision will affect the official's economic interest;
- The effect of the decision on the official's economic interest will be material; and
- The effect of the decision on the official's economic interest will be different than its effect on the public generally.

Conflict of Interest Code: The Act requires every state and local government agency to adopt a conflict of interest code. The code may be contained in a regulation, policy statement, or a city or county ordinance, resolution, or other document.

An agency's conflict of interest code must designate all officials and employees of, and consultants to, the agency who make or participate in making governmental decisions that could cause conflicts of interest. These individuals are required by the code to file statements of economic interests and to disqualify themselves when conflicts of interest occur.

The disclosure required under a conflict of interest code for a particular designated official or employee should include only the kinds of personal economic interests he or she could significantly affect through the exercise of his or her official duties. For example, an employee whose duties are limited to reviewing contracts for supplies, equipment, materials, or services provided to the agency should be required to report only those interests he or she holds that are likely to be affected by the agency's contracts for supplies, equipment, materials, or services.

Consultant: An individual who contracts with or whose employer contracts with state or local government agencies and who makes, participates in making, or acts in a staff capacity for making governmental decisions. The agency determines who is a consultant. Consultants may be required to file Form 700. Such consultants would file under full disclosure unless the agency provides in writing a limited disclosure requirement. Agencies may use FPPC Form 805 to assign such disclosure. The obligation to file Form 700 is always imposed on the individual who is providing services to the agency, not on the business or firm that employs the individual.

FPPC Regulation 18700.3 defines "consultant" as an individual who makes a governmental decision whether to:

- Approve a rate, rule, or regulation
- Adopt or enforce a law
- Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement
- Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval
- Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract
- Grant agency approval to a plan, design, report, study, or similar item
- Adopt, or grant agency approval of, policies, standards, or guidelines for the agency or for any of its subdivisions

A consultant also is an individual who serves in a staff capacity with the agency and:

- participates in making a governmental decision; or
- performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's conflict of interest code.

Designated Employee: An official or employee of a state or local government agency whose position has been designated in the agency's conflict of interest code to file statements of economic interests or whose position has not yet been listed in the code but makes or participates in making governmental decisions. Individuals who contract with government agencies (consultants) may also be designated in a conflict of interest code.

A federal officer or employee serving in an official federal capacity on a state or local government agency is not a designated employee.

Disclosure Categories: The section of an agency's conflict of interest code that specifies the types of personal economic interests officials and employees of the agency must disclose on their statements of economic interests. Disclosure categories are usually contained in an appendix or attachment to the conflict of interest code. Contact your agency to obtain a copy of your disclosure categories.

Terms & Definitions - (continued)

Diversified Mutual Fund: Diversified portfolios of stocks, bonds, or money market instruments that are managed by investment companies whose business is pooling the money of many individuals and investing it to seek a common investment goal. Mutual funds are managed by trained professionals who buy and sell securities. A typical mutual fund will own between 75 to 100 separate securities at any given time so they also provide instant diversification. *Only diversified mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 are exempt from disclosure.* In addition, Regulation 18237 provides an exception from reporting other funds that are similar to diversified mutual funds. (See Reference Pamphlet, page 13.)

Elected State Officer: Elected state officers include the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, State Controller, Secretary of State, State Treasurer, Superintendent of Public Instruction, members of the State Legislature, members of the State Board of Equalization, elected members of the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board.

Enforcement: The FPPC investigates suspected violations of the Act. Other law enforcement agencies (the Attorney General or district attorney) also may initiate investigations under certain circumstances. If violations are found, the Commission may initiate administrative enforcement proceedings that could result in fines of up to \$5,000 per violation.

Instead of administrative prosecution, a civil action may be brought for negligent or intentional violations by the appropriate civil prosecutor (the Commission, Attorney General, or district attorney), or a private party residing within the jurisdiction. In civil actions, the measure of damages is up to the amount or value not properly reported.

Persons who violate the conflict of interest disclosure provisions of the Act also may be subject to agency discipline, including dismissal.

Finally, a knowing or willful violation of any provision of the Act is a misdemeanor. Persons convicted of a misdemeanor may be disqualified for four years from the date of the conviction from serving as a lobbyist or running for elective office, in addition to other penalties that may be imposed. The Act also provides for numerous civil penalties, including monetary penalties and damages, and injunctive relief from the courts.

Expanded Statement: Some officials or employees may have multiple filing obligations (for example, a city council member who also holds a designated position with a county agency, board, or commission). Such officials or employees may complete one expanded statement covering the disclosure requirements for all positions and file a complete, originally signed copy with each agency.

Fair Market Value: When reporting the value of an investment, interest in real property, or gift, you must disclose the fair market value – the price at which the item would sell for on the open market. This is particularly important when valuing gifts, because the fair market value of a gift may be different from the amount it cost the donor to provide the gift. For example, the wholesale cost of a bouquet of flowers may be \$10, but the fair market value may be \$25 or more. In addition, there are special rules for valuing free tickets and passes. Call or email the FPPC for assistance.

Gift and Honoraria Prohibitions

Gifts:

State and local officials who are listed in Gov. Code Section 87200 (except judges – see below), candidates for these elective offices (including judicial candidates), and officials and employees of state and local government agencies who are designated in a conflict of interest code were prohibited from accepting a gift or gifts totaling more than \$500 in a calendar year from a single source in 2019-2020. The gift limit is \$520 in 2021 and 2022.

In addition, elected state officers, candidates for elective state offices, and officials and employees of state agencies are subject to a \$10 per calendar month limit on gifts from lobbyists and lobbying firms registered with the Secretary of State.

Honoraria:

State and local officials who are listed in Gov. Code Section 87200 (except judges – see below), candidates for these elective offices (including judicial candidates), and employees of state and local government agencies who are designated in a conflict of interest code are prohibited from accepting honoraria for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

Exceptions:

Terms & Definitions - (continued)

- Some gifts are not reportable or subject to the gift and honoraria prohibitions, and other gifts may not be subject to the prohibitions, but are reportable. For detailed information, see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC website (www.fppc.ca.gov).
- The gift limit and the honorarium prohibitions do not apply to a part-time member of the governing board of a public institution of higher education, unless the member is also an elected official.
- If you are designated in a state or local government agency's conflict of interest code, the gift limit and honorarium prohibition are applicable only to sources you would otherwise be required to report on your statement of economic interests. However, this exception is not applicable if you also hold a position listed in Gov. Code Section 87200 (See Reference Pamphlet, page 3.)
- For state agency officials and employees, the \$10 lobbyist/lobbying firm gift limit is applicable only to lobbyists and lobbying firms registered to lobby your agency. This exception is not applicable if you are an elected state officer or a member or employee of the State Legislature.
- Payments for articles published as part of the practice of a bona fide business, trade, or profession, such as teaching, are not considered honoraria. A payment for an "article published" that is customarily provided in connection with teaching includes text book royalties and payments for academic tenure review letters. An official is presumed to be engaged in the bona fide profession of teaching if he or she is employed to teach at an accredited university.

Judges:

Section 170.9 of the Code of Civil Procedure imposes gift limits on judges and prohibits judges from accepting any honorarium. Section 170.9 is enforced by the Commission on Judicial Performance. The FPPC has no authority to interpret or enforce the Code of Civil Procedure. Court commissioners are subject to the gift limit under the Political Reform Act.

Income Reporting: Reporting income under the Act is different than reporting income for tax purposes. The Act requires **gross** income (the amount received before deducting losses, expenses, or taxes, as well as income reinvested in a business entity) to be reported.

Pro Rata Share: The instructions for reporting income refer to your pro rata share of the income received. Your pro rata share is normally based on your ownership interest in the entity or property. For example, if you are a sole proprietor, you must disclose 100% of the gross

income to the business entity on Schedule A-2. If you own 25% of a piece of rental property, you must report 25% of the gross rental income received. When reporting your community property interest in your spouse's or registered domestic partner's income, your pro rata share is 50% of his or her income.

Separate Property Agreement: Generally, a public official is required to disclose his or her community property share of his or her spouse's income. But, when a public official and his or her spouse have a legally separate property agreement (e.g., prenuptial agreement), the official is not required to report the spouse's community property share of income, unless the funds are commingled with community funds or used to pay for community expenses or to produce or enhance the separate income of the official.

Note: This reporting exception does not apply to investments and interests in real property. Even if a public official and his or her spouse have a separate property agreement, the spouse's investments and interests in real property must still be disclosed because the definitions of reportable investments and interests in real property include those held by the official's immediate family (spouse, registered domestic partner, and dependent children). These definitions are not dependent on community property law.

Income to a Business Entity: When you are required to report sources of income to a business entity, sources of rental income, or sources of commission income, you are only required to disclose individual sources of income of \$10,000 or more. However, you may be required to **disqualify** yourself from decisions affecting sources of \$500 or more in income, even though you are not required to report them.

Examples:

- Alice Ruiz is a partner in a business entity. She has a 25% interest. On Schedule A-2, she must disclose 25% of the fair market value of the business entity; 25% of the gross income to the business entity (even though all of the income received was reinvested in the business and she did not personally receive any income from the business); and the name of each source of \$40,000 or more to the business.
- Pat and Mark Johnson, a married couple, own Classic Autos. Income to this business was \$200,000. In

Terms & Definitions - (continued)

determining the amount to report for income on Schedule A-2, Part 2, Mark must include his 50% share (\$100,000) and 50% of his spouse's share (\$50,000). Thus, his reportable income would be \$150,000 and he will check the box indicating \$100,001-\$1,000,000. (See Reference Pamphlet, page 13, for an example of how to calculate the value of this investment and interest in real property.)

You are not required to report:

- Salary, reimbursement for expenses or per diem, social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency
- A travel payment that was received from a nonprofit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.
- Campaign contributions
- A cash bequest or cash inheritance
- Returns on a security registered with the Securities and Exchange Commission, including dividends, interest, or proceeds from a sale of stocks or bonds unless the purchaser can be identified.
- Redemption of a mutual fund
- Payments received under an insurance policy, including an annuity
- Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a bond or other debt instrument issued by a government agency
- Your spouse's or registered domestic partner's income that is legally "separate" income so long as the funds are not commingled with community funds or used to pay community expenses
- Income of dependent children
- Automobile trade-in allowances from dealers
- Loans and loan repayments received from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin unless he or she was acting as an intermediary or agent for any person not covered by this provision
- Alimony or child support payments
- Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a)
- Any loan from a commercial lending institution made in the lender's regular course of business on terms

available to the public without regard to your official status

- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status
- Loans made to others. However, repayments may be reportable on Schedule C
- A loan you co-signed for another person unless you made payments on the loan during the reporting period

Incentive Compensation: "Incentive compensation" means income over and above salary that is either ongoing or cumulative, or both, as sales or purchases of goods or services accumulate. Incentive compensation is calculated by a predetermined formula set by the official's employer which correlates to the conduct of the purchaser in direct response to the effort of the official.

Incentive compensation does not include:

- Salary
- Commission income (*For information regarding disclosure of "commission income," see Reference Pamphlet, page 8.*)
- Bonuses for activity not related to sales or marketing, the amount of which is based solely on merit or hours worked over and above a predetermined minimum
- Executive incentive plans based on company performance, provided that the formula for determining the amount of the executive's incentive income does not include a correlation between that amount and increased profits derived from increased business with specific and identifiable clients or customers of the company
- Payments for personal services which are not marketing or sales

The purchaser is a source of income to the official if all three of the following apply:

- the official's employment responsibilities include directing sales or marketing activity toward the purchaser; and
- there is direct personal contact between the official and the purchaser intended by the official to generate sales or business; and
- there is a direct relationship between the purchasing activity of the purchaser and the amount of the incentive compensation received by the official.

Report incentive compensation as follows:

- In addition to salary, reimbursement of expenses, and

Terms & Definitions - (continued)

other income received from your employer, separately report on Schedule C the name of each person who purchased products or services sold, marketed or represented by you if you received incentive compensation of \$500 or more attributable to the purchaser during the period covered by the statement.

- If incentive compensation is paid by your employer in a lump sum, without allocation of amounts to specific customers, you must determine the amount of incentive compensation attributable to each of your customers. This may be based on the volume of sales to those customers.

(See Regulations 18700.1 and 18728.5 for more information.)

Investment Funds: The term “investment” no longer includes certain exchange traded funds, closed-end funds, or funds held in an Internal Revenue Code qualified plan. These non-reportable investment funds (1) must be bona fide investment funds that pool money from more than 100 investors, (2) must hold securities of more than 15 issuers, and (3) cannot have a stated policy of concentrating their holdings in the same industry or business (“sector funds”). In addition, the filer may not influence or control the decision to purchase or sell the specific fund on behalf of his or her agency during the reporting period or influence or control the selection of any specific investment purchased or sold by the fund. (Regulation 18237)

Investments and Interests in Real Property: When disclosing investments on Schedules A-1 or A-2 and interests in real property on Schedules A-2 or B, you must include investments and interests in real property held by your spouse or registered domestic partner, and those held by your dependent children, as if you held them directly.

Examples:

- Julia Pearson, husband, and two dependent children each own \$600 in stock in General Motors. Because the total value of their holdings is \$2,400, Julia must disclose the stock as an investment on Schedule A-1.
- Pat and Mark Johnson, a married couple, jointly own Classic Autos. Mark must disclose Classic Autos as an investment on Schedule A-2. To determine the reportable value of the investment, Mark will aggregate the value of his 50% interest and Pat’s 50% interest. Thus, if the total value of the business entity is \$150,000, he will check the box \$100,001 - \$1,000,000 in Part 1 of Schedule A-2. (Also see Reference Pamphlet, page 11, for an example of how to calculate reportable income.)

The Johnsons also own the property where Classic Autos is located. To determine the reportable value of the real property, Mark will again aggregate the value

of his 50% interest and Pat’s 50% interest to determine the amount to report in Part 4 of Schedule A-2.

- Katie Lee rents out a room in her home. She receives \$6,000 a year in rental income. Katie will report the fair market value of the rental portion of her residence and the income received on Schedule B.

Jurisdiction: Report disclosable investments and sources of income (including loans, gifts, and travel payments) that are either located in or doing business in your agency’s jurisdiction, are planning to do business in your agency’s jurisdiction, or have done business during the previous two years in your agency’s jurisdiction, and interests in real property located in your agency’s jurisdiction.

A business entity is doing business in your agency’s jurisdiction if the entity has business contacts on a regular or substantial basis with a person who maintains a physical presence in your jurisdiction.

Business contacts include, but are not limited to, manufacturing, distributing, selling, purchasing, or providing services or goods. Business contacts do not include marketing via the Internet, telephone, television, radio, or printed media.

The same criteria are used to determine whether an individual, organization, or other entity is doing business in your jurisdiction.

Exception:

Gifts are reportable regardless of the location of the donor. For example, a state agency official with full disclosure must report gifts from sources located outside of California. (Designated employees/code filers should consult their disclosure categories to determine if the donor of a gift is of the type that must be disclosed.)

When reporting interests in real property, if your jurisdiction is the state, you must disclose real property located within the state of California unless your agency’s conflict of interest code specifies otherwise.

For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

See the following explanations to determine what your jurisdiction is:

Terms & Definitions - (continued)

State Offices and All Courts: Your jurisdiction is the state if you are an elected state officer, a state legislator, or a candidate for one of these offices. Judges, judicial candidates, and court commissioners also have statewide jurisdiction. (*In re Baty* (1979) 5 FPPC Ops. 10) If you are an official or employee of, or a consultant to, a state board, commission, or agency, or of any court or the State Legislature, your jurisdiction is the state.

County Offices: Your jurisdiction is the county if you are an elected county officer, a candidate for county office, or if you are an official or employee of, or a consultant to, a county agency or any agency with jurisdiction solely within a single county.

City Offices: Your jurisdiction is the city if you are an elected city officer, a candidate for city office, or you are an official or employee of, or a consultant to, a city agency or any agency with jurisdiction solely within a single city.

Multi-County Offices: If you are an elected officer, candidate, official or employee of, or a consultant to a multi-county agency, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. (Example: A water district has jurisdiction in a portion of two counties. Members of the board are only required to report interests located or doing business in that portion of each county in which the agency has jurisdiction.)

Other (for example, school districts, special districts and JPAs): If you are an elected officer, candidate, official or employee of, or a consultant to an agency not covered above, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. See the multi-county example above.

Leasehold Interest: The term "interest in real property" includes leasehold interests. An interest in a lease on real property is reportable if the value of the leasehold interest is \$2,000 or more. The value of the interest is the total amount of rent owed by you during the reporting period or, for a candidate or assuming office statement, during the prior 12 months.

You are not required to disclose a leasehold interest with a value of less than \$2,000 or a month-to-month tenancy.

Loan Reporting: Filers are not required to report loans from commercial lending institutions or any indebtedness created as part of retail installment or credit card transactions that are made in the lender's regular course of business, without regard to official status, on terms available to members of the public.

Loan Restrictions: State and local elected and appointed public officials are prohibited from receiving any personal loan totaling more than \$250 from an official, employee, or

consultant of their government agencies or any government agency over which the official or the official's agency has direction or control. In addition, loans of more than \$250 from any person who has a contract with the official's agency or an agency under the official's control are prohibited unless the loan is from a commercial lending institution or part of a retail installment or credit card transaction made in the regular course of business on terms available to members of the public.

State and local elected officials are also prohibited from receiving any personal loan of \$500 or more unless the loan agreement is in writing and clearly states the terms of the loan, including the parties to the loan agreement, the date, amount, and term of the loan, the date or dates when payments are due, the amount of the payments, and the interest rate on the loan.

Campaign loans and loans from family members are not subject to the \$250 and \$500 loan prohibitions.

A personal loan made to a public official that is not being repaid or is being repaid below certain amounts will become a gift to the official under certain circumstances. Contact the FPPC for further information, or see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC website (www.fppc.ca.gov).

Privileged Information: FPPC Regulation 18740 sets out specific procedures that must be followed in order to withhold the name of a source of income. Under this regulation, you are not required to disclose on Schedule A-2, Part 3, the name of a person who paid fees or made payments to a business entity if disclosure of the name would violate a legally recognized privilege under California or Federal law. However, you must provide an explanation for nondisclosure, separately stating for each undisclosed person: the legal basis for the assertion of the privilege, facts demonstrating why the privilege is applicable, and that to the best of your knowledge you have not and will not make, participate in making, or use your official position to influence a governmental decision affecting the undisclosed person in violation of Government Code Section 87100. This explanation may be included with, or attached to, the public official's Form 700.

We note that the name of a source of income is privileged only to a limited extent under California law. For example, a name is protected by attorney-client privilege only when facts concerning an attorney's representation of an anonymous client are not publicly known and those facts, when coupled with disclosure of the client's identity, might expose the client to an official investigation or to

Terms & Definitions - (continued)

civil or criminal liability. A patient's name is protected by physician-patient privilege only when disclosure of the patient's name would also reveal the nature of the treatment received by the patient. A patient's name is also protected if the disclosure of the patient's name would constitute a violation by an entity covered under the Federal Health Insurance Portability and Accountability Act (also known as HIPAA).

Public Officials Who Manage Public Investments:

Individuals who invest public funds in revenue-producing programs must file Form 700. This includes individuals who direct or approve investment transactions, formulate or approve investment policies, and establish guidelines for asset allocations. FPPC Regulation 18700.3 defines "public officials who manage public investments" to include the following:

- Members of boards and commissions, including pension and retirement boards or commissions, and committees thereof, who exercise responsibility for the management of public investments;
- High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments (for example, chief or principal investment officers or chief financial managers); and
- Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions described above.

Registered Domestic Partners: Filers must report investments and interests in real property held by, and sources of income to, registered domestic partners. (See Regulation 18229.)

Retirement Accounts (for example, deferred compensation and individual retirement accounts (IRAs)):

Assets held in retirement accounts must be disclosed if the assets are reportable items, such as common stock (investments) or real estate (interests in real property). For help in determining whether your investments and real property are reportable, see the instructions to Schedules A-1, A-2, and B.

If your retirement account holds reportable assets, disclose only the assets held in the account, not the account itself. You may have to contact your account manager to determine the assets contained in your account.

Schedule A-1: Report any business entity in which the value of your investment interest was \$2,000 or more during the reporting period. (Use Schedule A-2 if you have a 10% or greater ownership interest in the business entity.)

Schedule B: Report any piece of real property in which the value of your interest was \$2,000 or more during the reporting period.

Examples:

- Anaya Tiwari deposits \$500 per month into her employer's deferred compensation program. She has chosen to purchase shares in two diversified mutual funds registered with the Securities and Exchange Commission. Because her funds are invested solely in non-reportable mutual funds (see Schedule A-1 instructions), Anaya has no disclosure requirements with regard to the deferred compensation program.
- Earl James Jones has \$6,000 in an individual retirement account with an investment firm. The account contains stock in several companies doing business in his jurisdiction. One of his stock holdings, Misac Computers, reached a value of \$2,500 during the reporting period. The value of his investment in each of the other companies was less than \$2,000. Earl must report Misac Computers as an investment on Schedule A-1 because the value of his stock in that company was \$2,000 or more.
- Adriane Fisher has \$5,000 in a retirement fund that invests in real property located in her jurisdiction. The value of her interest in each piece of real property held in the fund was less than \$2,000 during the reporting period. Although her retirement fund holds reportable assets, she has no disclosure requirement because she did not have a \$2,000 or greater interest in any single piece of real property. If, in the future, the value of her interest in a single piece of real property reaches or exceeds \$2,000, she will be required to disclose the real property on Schedule B for that reporting period.

Terms & Definitions - (continued)

Trusts: Investments and interests in real property held and income received by a trust (including a living trust) are reported on Schedule A-2 if you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater interest in the trust and your pro rata share of a single investment or interest in real property was \$2,000 or more.

You have an interest in a trust if you are a trustor and:

- Can revoke or terminate the trust;
- Have retained or reserved any rights to the income or principal of the trust or retained any reversionary or remainder interest; or
- Have retained any power of appointment, including the power to change the trustee or the beneficiaries.

Or you are a beneficiary and:

- Presently receive income (see Gov. Code Section 82030); or
- Have an irrevocable future right to receive income or principal. (See FPPC Regulation 18234 for more information.)

Examples:

- Sarah Murphy has set up a living trust that holds her principal residence, stock in several companies that do business in her jurisdiction, and a rental home in her agency's jurisdiction. Since Sarah is the trustor and can revoke or terminate the trust, she must disclose any stock worth \$2,000 or more and the rental home on Schedule A-2. Sarah's residence is not reportable because it is used exclusively as her personal residence.
- Chao Yee is listed as a beneficiary in his grandparents' trust. However, Chao does not presently receive income from the trust, nor does he have an irrevocable future right to receive income or principal. Therefore, Chao is not required to disclose any assets contained in his grandparents' trust.

Blind Trusts:

A blind trust is a trust managed by a disinterested trustee who has complete discretion to purchase and sell assets held by the trust. If you have a direct, indirect, or beneficial interest in a blind trust, you may not be required to disclose your pro rata share of the trust's assets or income. However, the trust must meet the standards set out in FPPC Regulation 18235, and you must disclose reportable assets originally transferred into the blind trust and income

from those original assets on Schedule A-2 until they have been disposed of by the trustee.

Trustees:

If you are only a trustee, you do not have a reportable interest in the trust. However, you may be required to report the income you received from the trust for performing trustee services.

Wedding Gifts: Wedding gifts must be disclosed if they were received from a reportable source during the period covered by the statement. Gifts valued at \$50 or more are reportable; however, a wedding gift is considered a gift to both spouses equally. Therefore, you would count one-half of the value of a wedding gift to determine if it is reportable and need only report individual gifts with a total value of \$100 or more.

For example, you receive a place setting of china valued at \$150 from a reportable source as a wedding gift. Because the value to you is \$50 or more, you must report the gift on Schedule D, but may state its value as \$75.

Wedding gifts are not subject to the \$500 gift limit (\$520 in 2021-2022), but they are subject to the \$10 lobbyist/lobbying firm gift limit for state officials.

Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Gov. Code Sections 81000-91014 and California Code of Regulations Sections 18110-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal, or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

General Counsel
Fair Political Practices Commission
1102 Q Street, Suite 3000
Sacramento, CA 95811
(916) 322-5660
(866) 275-3772

California Fair Political Practices Commission

Frequently Asked Questions: Form 700 Disclosure

GeneralPage 1	IncomePage 2	InvestmentsPage 3
Real PropertyPage 4	EnforcementPage 5	Gifts/TravelPage 5
Tickets to Non-Profit and Political Fundraising EventsPage 9		

The FAQs listed below are selected from questions often asked about the Statement of Economic Interests (Form 700). Because it is not possible to address all of the unique variables and circumstances related to disclosure, individuals are encouraged to contact the FPPC with specific facts. Most officials must also consult their agency’s conflict of interest code to determine their disclosure level and their reportable interests. The Form 700 is a public document. Form 700s filed by State Legislators and Judges, members of the FPPC, County Supervisors, and City Council Members are available on the FPPC’s website.

General Questions

1. Q. Do officials have to complete all schedules of the Form 700?
 - A. Not necessarily. The majority of individuals who file the Form 700 must do so by following the rules set forth in their agency’s conflict of interest code (“designated employees”). Before completing the Form 700, an official should be familiar with the disclosure category for his or her position. For example, since job duties differ from agency to agency and even unit to unit within the same agency, an analyst for one agency, or unit of that agency, may not have the same reporting requirements as an analyst from another agency, or even another unit of the same agency. **Designated employees should obtain a copy of their agency’s conflict of interest code from the agency.**

Officials listed in Government Code Section 87200 (e.g., boards of supervisors, city council members, planning commissioners, elected state officials, etc.) must report investments, business positions, and sources of income, including receipt of gifts, loans, and travel payments, from sources located in or doing business in their agency’s jurisdiction. All interests in real property within the agency’s jurisdiction must also be reported. For local officials, real property located within two miles of the boundaries of the jurisdiction or any real property that the agency has an interest in is deemed to be “within the jurisdiction.”

2. Q. Is it necessary to read all of the information before completing the Form 700?
 - A. Each individual must verify the Form 700’s content under penalty of perjury. Therefore, every effort must be made to understand what the form requires. When necessary, you may contact the FPPC for specific guidance. You may only obtain immunity from a potential enforcement action when you receive formal written advice.

3. Q. Where are the Form 700s filed?
 - A. Most state and local officials file with their agency. In most instances, the agency is required to forward the originals for specified high-level officials to the FPPC. Only retired judges serving on assignment and legislative staff file the Form 700 *directly* with the FPPC.

California Fair Political Practices Commission
Frequently Asked Questions: Form 700 Disclosure

4. Q. If the Form 700 is postmarked by the due date, is it considered filed on time?
 - A. Yes.
5. Q. If an official holds various positions for which the Form 700 is required, is a statement required for each position?
 - A. Yes. However, one expanded statement covering the disclosure requirements for all positions may be completed as long as an originally signed statement is filed with each filing officer.
6. Q. Do individuals need to file a complete Form 700 when they leave office?
 - A. Yes. The same requirements apply for the assuming office, the annual, and the leaving office filings.
7. Q. An individual is hired into a newly created management position in her agency's Information Technology Department. How does she complete the Form 700?
 - A. Because it is a newly created position, the law requires that economic interests be reported under the broadest disclosure category in the agency's conflict of interest code unless the agency sets interim disclosure that is tailored to the limited range of duties of the position. An individual may request that the agency complete the Form 804 (Agency Report of New Positions) to tailor the disclosure category to the job duties of the new position. Generally, the Form 700 must be filed with the agency within 30 days of the date of hire.
8. Q. Must board members of a non-profit public benefit corporation that operates California charter schools file Form 700?
 - A. Yes. Members of charter schools are public officials and must file the Form 700.

Income Questions

9. Q. Must an official report a spouse's or registered domestic partner's salary?
 - A. Generally an official is required to report his or her community property share (50%) of his or her spouse's or registered domestic partner's salary. The disclosure lists the employer's name as the source of income on Schedule C of the Form 700. If the spouse or registered domestic partner is self-employed, the business entity is reported on Schedule A-2. Officials should check their disclosure category, if applicable, to determine if the income is reportable. A spouse or registered domestic partner's government salary is not reportable (e.g., spouse is a teacher at a public school).
10. Q. If an official and his or her spouse have a legally separate property agreement (e.g., prenuptial), must the official still report his or her community property share (50%) in his or her spouse's income?
 - A. No. If there is a legally separate property agreement, the official is not required to report his or her community property share in his or her spouse's income so long as the funds are not commingled with community funds or used to pay for community expenses or to produce or enhance the official's separate income. This reporting exception does not apply to investments and interests in real property. Even if a public official and his or her spouse have a separate property agreement, the spouse's investments and interests in real property must still be disclosed because the definitions of reportable investments and interests in real property include those held by the official's immediate family (spouse, registered domestic partner, and dependent children). These definitions are not dependent on community property law.

California Fair Political Practices Commission

Frequently Asked Questions: Form 700 Disclosure

11. Q. If an official owns a business in which he has received income of \$10,000 or more from a client, is the official required to disclose the client's name on Schedule A-2, Part 3?
- A. Yes, except for under rare circumstances where disclosure of the identity would violate a legally recognized privilege under California or federal law. In these cases, the FPPC may authorize an exemption. (Regulation 18740)
12. Q. When an official purchases a new car and trades in the old car as credit toward the purchase price, is the trade-in allowance considered reportable income on the Form 700?
- A. No. A trade-in allowance is not considered income and is not reportable on an official's Form 700. However, income received from the sale of an auto may be reportable.
13. Q. An official owns a rental property that he or she is required to report. The renter/tenant pays a property management company and the company deposits the funds into the official's checking account. Would the source of rental income be listed as the property management company or the person living at the residence who is paying the property management company?
- A. The source of the rental income is the person living at the residence (renter/tenant). The property management company does not need to be disclosed.

Investment Questions

14. Q. An official holds various stocks through an account managed by an investment firm. The account manager decides which stocks to purchase with no input from the official. Are the stocks subject to disclosure?
- A. Yes. Unless the stocks are in a diversified mutual fund registered with the SEC or in a fund similar to a diversified mutual fund (e.g., exchange traded fund (ETF)) if the similar fund meets the specific criteria outlined in Regulation 18237. Any investments worth \$2,000 or more in a business entity located in or doing business in the jurisdiction must be disclosed on Schedule A-1 or A-2 if the official's disclosure category requires that the investments be reported.
15. Q. Are funds invested in a retirement account required to be disclosed?
- A. Investments held in a government defined-benefit pension program plan (e.g., CalPERS) are not reportable. Investments held in a fund such as a defined contribution plan 401(k) or exchange traded fund (EFT) are not required to be disclosed if the fund meets the specific criteria outlined in Regulation 18237. An official may need to contact his or her account manager for assistance in determining what assets are held in the account.
16. Q. If an official reported stocks that were acquired last year on his or her annual Form 700, must the stocks be listed again on the official's next Form 700?
- A. Yes. Stocks that are worth \$2,000 or more during the reporting period must be reported every year that they are held. The "acquired" and "disposed" dates are only required if the stocks were acquired or disposed of during the period covered by the Form 700.

California Fair Political Practices Commission

Frequently Asked Questions: Form 700 Disclosure

17. Q. How are interests in a living trust reported if the trust includes: (1) rental property in the official's jurisdiction; (2) a primary residence; and (3) investments in diversified mutual funds? Are there different disclosure rules?
- A. The name of the trust is reported, along with the rental property and its income, on Schedule A-2. The official's primary residence, if used exclusively as a personal residence, and investments in diversified mutual funds registered with the SEC, are not reportable. Although the official's primary residence is not required to be disclosed on the Form 700, it is still considered an economic interest for conflict of interest purposes. (See Question 18.) A secondary residence not used exclusively for personal purposes may be reportable. (See Question 19.)
18. Q. A Form 700 filer has a 10% or greater ownership interest in a company that provides uncompensated, pro-bono, or volunteer services within the filer's jurisdiction. Must this investment be disclosed on Schedule A-2 of the Form 700?
- A. Yes. An investment must be disclosed if there is any financial interest in a business entity that does business or plans to do business within the jurisdiction (See Government Code 82034). Although the services are uncompensated, "doing business in" is defined as having business contacts on a regular or substantial basis including providing services or goods (Regulation 18230).

Real Property Questions

19. Q. Is an official's personal residence reportable?
- A. Generally, any personal residence occupied by an official or his or her family is not reportable if used exclusively as a personal residence. However, a residence for which a business deduction is claimed is reportable if the portion claimed as a tax deduction is valued at \$2,000 or more. In addition, any residence for which an official receives rental income is reportable if it is located in the jurisdiction.
20. Q. When an official is required to report interests in real property, is a secondary residence reportable?
- A. It depends. First, the residence must be located in the official's jurisdiction. If the secondary residence is located in the official's jurisdiction and rental income is received (including from a family member), the residence is reportable. However, if the residence is used exclusively for personal purposes and no rental income is received, it is not reportable. Although the secondary residence may not be reportable, it is still considered an economic interest for conflict of interest purposes.
21. Q. If a primary or secondary personal residence is required to be reported, is the street address required to be disclosed?
- A. No. The assessor's parcel number may be listed instead of the street address.

Enforcement Question

22. Q. What is the penalty for not filing the Form 700 on time or not reporting all required economic interests?
- A. A late fine of \$10 per day up to a maximum of \$100 may be assessed. In addition, if a matter is referred to the FPPC's Enforcement Division for failure to file or failure to include all required economic interests, the fine may be substantially higher. If an individual does not pay a fine, the matter may be referred to the Franchise Tax Board for collection.

California Fair Political Practices Commission
Frequently Asked Questions: Form 700 Disclosure

Gift/Travel Questions

23. Q. What is the gift limit for 2021-2022?

- A. **\$520:** This means that gifts from a single, reportable source, other than a lobbyist or lobbying firm (see below), may not exceed \$520 in a calendar year. For officials and employees who file the Form 700 under an agency's conflict of interest code ("designated employees"), this limit applies only if the official or employee would be required to report income or gifts from that source on the Form 700, as outlined in the "disclosure category" portion of the agency's conflict of interest code. For conflict of interest purposes, the gift must be under \$520 to avoid consideration under the conflict rules.

State Lobbyist & Lobbying Firm Limit:

\$10: State candidates, state elected officers, and state legislative officials may not accept gifts aggregating more than **\$10 in a calendar month that are made or arranged by a registered state lobbyist or lobbying firm.** The same rule applies to state agency officials, including members of state boards and commissions, if the lobbyist or firm is registered to lobby, or should be registered to lobby, the official's or employee's agency.

24. Q. During the year, an official received several gifts of meals from the same reportable source. Each meal was approximately \$35. Is the source reportable?

- A. Yes. Gifts from the same reportable source are aggregated, and the official must disclose the source when the total value of all meals reaches or exceeds \$50.

25. Q. How does an individual return a gift so that it is not reportable?

- A. Unused gifts that are returned to the donor or reimbursed within 30 days of receipt are not reportable. The recipient may also donate the unused item to a charity or a governmental agency within 30 days of receipt or acceptance so long as the donation is not claimed as a tax deduction. An individual may not, however, reimburse a charity for the value (or partial value) of a gift from another source, in order to not report the gift, unless the charity was the original source of the gift.

26. Q. Two people typically exchange gifts of similar value on birthdays. Are these items reportable?

- A. No. Gift exchanges with individuals, other than lobbyists, on birthdays, holidays, or similar occasions, are not reportable or subject to gift limits. The gifts exchanged must be similar in value.

27. Q. Must an official report gifts received from an individual whom the official is dating?

- A. No. Gifts of a personal nature exchanged because the individuals are in a bona fide dating relationship are not reportable or subject to gift limits. However, the official remains subject to the conflict of interest rules and some matters may require recusal from voting.

28. Q. If an official makes a speech related to national public policy and his or her spouse attends the dinner at the event, is the spouse's meal considered a gift to the official?

- A. Yes. The official's meal is not a reportable gift; however, his or her spouse's meal is a gift and reportable on the official's Form 700 if the value is \$50 or more.

California Fair Political Practices Commission
Frequently Asked Questions: Form 700 Disclosure

29. Q. A vendor that does business with the agency provided entertainment tickets to the spouse of one of the agency members. Must the member report the tickets as gifts?
- A. Yes. Unless an exception applies, the tickets are a reportable gift. A gift to an official's spouse is a gift to the official when there is no established working, social, or similar relationship between the donor/vendor and the spouse or there is evidence to suggest that the donor had a purpose to influence the official.
30. Q. An agency received two free tickets to a concert from a local vendor. The agency has a policy governing the reporting of tickets and passes distributed to persons for use in ceremonial roles or other agency related activities. The agency had discretion to determine who in the agency received the tickets. Each ticket was valued at \$140. If the agency director used the tickets, how are they reported?
- A. Assuming the tickets meet the agency's policy as an appropriate use of public funds, the agency may report the tickets (worth \$280) on the Form 802 (Agency Report of Ceremonial Role Events and Ticket/Pass Distributions), which is a public record. The director does not need to report the tickets on the Form 700.
31. Q. An agency received a large box of chocolates as a holiday gift from a local merchant. It was addressed to the agency and not to a particular employee. Is there a reporting requirement?
- A. No. There is no reporting requirement if the value received by each agency employee is less than \$50.
32. Q. An agency official receives a gift basket specifically addressed to the official worth more than \$50 from a local merchant. Is there a reporting requirement?
- A. If the source of the gift basket is reportable by the official, the official must report the gift, even if he or she shares the gift with other agency employees.
33. Q. Do prizes donated to a governmental agency by an outside source constitute gifts under the Act if they were received by city employees in a drawing conducted by the city for all city employees participating in the city's charitable food drive?
- A. Yes. The prizes are gifts if donated by an outside source and subject to the Act's limits and reporting requirements.
34. Q. An official won a scholarship in a raffle at a software update training class. The scholarship covered the cost of the class. All attendees, including other public officials and members of the public, were eligible to apply for the scholarship. Is the official required to report the scholarship as a gift?
- A. A scholarship received in a "bona fide" competition may be reported as income instead of a gift. Whether or not a competition or contest is "bona fide" depends on specific facts, such as the nature of the pool of contestants. Contact the FPPC for assistance.

California Fair Political Practices Commission

Frequently Asked Questions: Form 700 Disclosure

35. Q. Is a ticket provided to an official for his or her admission to an event at which the official performs a ceremonial role or function on behalf of his or her agency reportable on the official's Form 700?
- A. No, so long as the organization holding the event provides the ticket and so long as the official's agency completes the Form 802 (Agency Report of Ceremonial Role Events and Ticket/Pass Distributions). The form will identify the official's name and explain the ceremonial function. (See Regulation 18942.3 for the definition of "ceremonial role.")
36. Q. An official makes an annual donation to an educational organization that has a 501(c)(3) tax-exempt status. The organization is holding a two-hour donor appreciation event, which will include wine, appetizers, and music. Free access to the event is being provided to all donors to the organization. Must the official report the event as a gift from the organization?
- A. Because free access to the event is offered to all of the organization's donors, without regard to official status, access to the event is not a reportable gift.
37. Q. Are frequent flyer miles reportable?
- A. No. Discounts received under an airline's frequent flyer program that are available to all members of the public are not required to be disclosed.

IMPORTANT NOTE: See Regulation 18950.1 for additional information on reporting travel payments. In some circumstances the agency may report the travel in lieu of the official reporting the travel.

38. Q. If a non-profit organization pays for an official to travel to a conference after receiving the funds to pay for the travel from corporate sponsors, specifically for the purpose of paying for the official's travel, is the non-profit organization or the corporate sponsors the source of the gift?
- A. The corporate sponsors are the source of the gift if the corporate sponsors donated funds specifically for the purpose of the official's travel. Thus, the benefit of the gift received by the official would be pro-rated among the donors. Each reportable donor would be subject to the gift limit and identified on the official's Form 700. The FPPC should be contacted for specific guidance to determine the true source of the travel payment.
39. Q. May an official accept travel, lodging and subsistence from a foreign sister city while representing the official's home city?
- A. Yes. If the travel and related lodging and subsistence is paid by a foreign government and is reasonably related to a legislative or governmental purpose, it is not subject to the gift limit. However, the payments must be disclosed as gifts on the Form 700 for this exception to apply. While in the foreign country, any personal excursions not paid for by the official must also be disclosed and are subject to the gift limit. If private entities make payments to the foreign government to cover the travel expenses, the gift limit will apply and travel payments will likely be prohibited. Please contact the FPPC for more information.

California Fair Political Practices Commission
Frequently Asked Questions: Form 700 Disclosure

40. Q. An analyst for a state or local agency attends a training seminar on the new federal standards related to the agency's regulatory authority. If the analyst's travel payments are paid by the federal agency, must the analyst report the payment on the Form 700?
- A. No. A payment for travel and related per diem received from a government agency for education, training, or other inter-agency programs or purposes, is not considered a gift or income to the official who uses the payment.
41. Q. A state legislator and a planning commissioner were guest speakers at an association's event. Travel expenses were paid by the association, and the event was held in the United States. Is this reportable?
- A. Yes. The payment is reportable, but not subject to the gift limits. In general, an exception applies to payments for travel within the United States that are provided to attend a function where the official makes a speech. These payments are not limited, but are reportable as gifts. The rules require that the speech be reasonably related to a legislative or governmental purpose, or to an issue of state, national, or international public policy; and the travel payment must be limited to actual transportation and related lodging and subsistence the day immediately preceding, the day of, and the day immediately following the speech. (See Government Code Section 89506. Other rules may be applicable if this exception is not used.)
42. Q. An official serves as a board member for two organizations – one has a 501(c)(3) tax-exempt status and the other has a 501(c)(6) tax-exempt status. The organizations pay the official's travel expenses to attend board meetings. Must the official report these travel payments?
- A. Under the Act, travel payments provided to an official by a 501(c)(3) organization are exempt from the definition of "income" and therefore, not reportable. However, travel payments from other organizations, including a 501(c)(6) organization, are likely required to be reported. Designated employees must report such travel payment if the organization is reportable pursuant to the official's disclosure category in his or her agency's conflict of interest code.
43. Q. The local airport authority issues a certain number of airport parking cards to the County to allow the cardholders to use the parking facilities at the airport at no charge, provided the cardholder is on official business. Must the officials who use the parking cards report a gift on the Form 700?
- A. No. As long as the parking cards are used for official business only, the parking cards do not provide a personal benefit, so no gift is received. If a parking card is used for *personal* purposes, a gift must be reported.

Tickets to Non-Profit and Political Fundraisers Questions

44. Q. An official is offered a ticket from a 501(c)(3) organization to attend its fundraising event. The face value (price) of the ticket is \$500, and the ticket states that the tax deductible portion is \$350. If the official accepts the ticket, what must be reported?
- A. Nothing is required to be reported on the Form 700, so long as the ticket is provided directly by the 501(c)(3) organization for its own fundraising event and is used for the official's own attendance at the fundraiser. In this case, the ticket is deemed to have no value. The official may also accept a second ticket provided directly by the 501(c)(3) organization for his or her guest attending the event, without a reporting obligation by either the official or the guest.

California Fair Political Practices Commission
Frequently Asked Questions: Form 700 Disclosure

45. Q. What if someone purchases a table at a non-profit fundraiser and offers an official a seat at the table?
- A. If another person or entity provides a ticket, it is a gift and subject to the gift limit. The value is the non-deductible portion on the ticket. If there is no declared face value, then the value is the pro-rata share of the food, catering service, entertainment, and any additional item provided as part of the event. The “no value” exception only applies if the official receives no more than two tickets for his or her own use directly from the 501(c)(3) organization and it is for the organization’s fundraising event.
46. Q. A 501(c)(3) organization provides a ticket to an official for its fundraising event. The organization seats the official at a table purchased by a business entity. Does the official have to report the ticket?
- A. No. So long as the ticket is provided directly by the 501(c)(3) organization and is used for the official’s own attendance at the fundraiser, the ticket is not reportable regardless of where the official is seated.
47. Q. An agency employee who holds a position designated in its agency’s conflict of interest code receives a ticket to a fundraiser from a person not “of the type” listed in the agency’s code. Is the agency employee required to report the value?
- A. No. A ticket or any other gift may be accepted under these circumstances without limit or reporting obligations. Agencies must ensure the conflict of interest code adequately addresses potential conflicts of interests but not be so overbroad as to include sources that are not related to the employee’s official duties.
48. Q. An official receives a ticket to attend a political fundraiser held in Washington D.C. from a federal committee. Is the official required to disclose the ticket as a gift, and is it subject to the gift limit?
- A. No. The value of the ticket is not a gift, so long as the ticket is provided to the official directly by the committee holding the fundraiser and the official personally uses the ticket. (Regulation 18946.4.) Separate rules apply for travel provided to attend the fundraiser. Regulation 18950.3 covers issues on travel paid by or for a campaign committee.
49. Q. A political party committee is holding a political fundraiser at a golf course and a round of golf is included. If the committee provides an elected official a ticket, is the ticket reportable by the official?
- A. No, so long as the official uses the ticket for his or her own use. If someone other than the political party provides a ticket, the full cost of the ticket is a gift. The political party must report the total amount spent on the fundraiser on its campaign statement.
50. Q. If a business entity offers an official a ticket or a seat at a table that was purchased for a political fundraiser, what is the value?
- A. Because the ticket was not offered by the campaign committee holding the fundraiser, it is a gift to the official. The value is either the face value of the ticket or the pro-rata share of the food, catering services, entertainment, and any additional benefits provided to attendees.

California Fair Political Practices Commission

Frequently Asked Questions: Form 700 Disclosure

51. Q. If an official attends an event that serves only appetizers and drinks, does the “drop-in” exception apply no matter how long the official stays or how many appetizers or drinks are consumed?
- A. No. The focus of the “drop-in” exception is on the official’s brief attendance and limited consumption, not on the nature of the event as a whole. If an official attends an event that serves only appetizers and drinks, the “drop-in” exception applies only if the official just “drops in” for a few minutes and consumes only a “de minimis” amount of appetizers and drinks. The “drop-in” exception does not automatically apply just because the event does not serve more than appetizers and drinks.
52. Q. An organization, which is not a 501(c)(3) organization, is holding a fundraiser at a professional sporting event. Tickets to this sporting event are sold out and it appears that tickets are only available at a substantially higher price than the face value amount of the ticket provided to the official by the organization. If the official attends the event, what is the value of the gift?
- A. The value is the face value amount on the ticket to the sporting event. This valuation rule applies to all tickets to such events that are not covered by a separate valuation exception, such as non-profit and political party fundraisers.
53. Q. An official receives a ticket to a fundraiser, and if accepted, the ticket will result in a reportable gift or a gift over the current gift limit. What are the options?
- A. The official may reimburse the entity or organization that provided the ticket for the amount over the gift limit. Alternatively, the official may pay down the value of the ticket to under the \$50 gift reporting threshold if the official does not want to disclose the ticket. Reimbursement and/or pay down must occur within 30 days of receipt of the ticket. A candidate or elected official may use campaign funds to make the reimbursement if the official’s attendance at the event is directly related to a political, legislative, or governmental purpose. A ticket that is not used and not given to another person is not considered a gift to the official and therefore is not reportable.



Limitations and Restrictions on Gifts, Honoraria, Travel and Loans

A Fact Sheet For

- Local Elected Officers and Candidates for Local Elective Offices
- Local Officials Specified in Government Code Section 87200
- Judicial Candidates
- Designated Employees of Local Government Agencies

California Fair Political Practices Commission

Toll-free advice line: 1 (866) ASK-FPPC

Email advice: advice@fppc.ca.gov

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January 2021

Introduction

The Political Reform Act¹ (the “Act”) imposes limits on gifts, prohibits honoraria payments, and imposes limits and other restrictions on the receipt of travel payments received by:

- Local elected officers and other local officials specified in Government Code Section 87200,² excluding judges;³
- Designated employees of local government agencies (i.e., individuals required to file statements of economic interests under a local agency’s conflict of interest code); and
- Candidates⁴ for any of these offices or positions and judicial candidates. (Sections 89502 and 89503.)

The Act also imposes limits and other restrictions on personal loans received by certain local officials.

The gift limit increased to \$520 for calendar years 2021 and 2022. The gift limit in 2020 was \$500.

This fact sheet summarizes the major provisions of the Act concerning gifts, honoraria, travel, and loans. It contains highlights of the law, but does not carry the weight of law. For more information, contact the Fair Political Practices Commission at (866) 275-3772 or advice@fppc.ca.gov or visit our website at www.fppc.ca.gov. Commission advice letters are available on our website. Public officials may also be subject to local restrictions on gifts, honoraria, or travel.

Enforcement

Failure to comply with the laws related to gifts, honoraria, loans, and travel payments may, depending on the violation, result in criminal prosecution and substantial fines, or in administrative or civil monetary penalties for as much as \$5,000 per violation or three times the amount illegally obtained. (See Sections 83116, 89520, 89521, 91000, 91004 and 91005.5.)

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

² Local officials specified in Government Code Section 87200 include: members of boards of supervisors and city councils, mayors, city/county planning commissioners, city/county chief administrative officers, city/county treasurers, district attorneys, county counsels, city managers, city attorneys, court commissioners and public officials who manage public investments.

³ The gift limits and honoraria ban in the Political Reform Act do not apply to a person in his or her capacity as judge. However, candidates for judicial offices are subject to the restrictions contained in the Political Reform Act. (Sections 89502 and 89503.)

⁴ For purposes of the gift limit and honoraria prohibition, an individual becomes a “candidate” when he or she files a statement of organization (Form 410) as a controlled committee for the purpose of seeking elective office, a candidate intention statement (Form 501), or a declaration of candidacy, whichever occurs first. If an individual is an unsuccessful candidate, he or she will no longer be subject to the gift limit and honoraria prohibition when he or she has terminated his or her campaign filing obligations, or after certification of election results, whichever is earlier. (Sections 89502(b) and 89503(b).)

Gifts

Limitations

Local elected officers, candidates for local elective office, local officials specified in Government Code Section 87200, and judicial candidates, may not accept gifts from any single source totaling more than \$520 in a calendar year. (Section 89503.)⁵

Employees of a local government agency who are designated in the agency's conflict of interest code may not accept gifts from any single source totaling more than \$520 in a calendar year if the employee is required to report receiving income or gifts from that source on his or her statement of economic interests (Form 700). (Section 89503(c).)

What is a "Gift"?

A "gift" is any payment or other benefit that confers a *personal* benefit for which a public official does not provide payment or services of equal or greater value. A gift includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public. (Section 82028.) (See Regulation 18946 for valuation guidelines.)

Except as discussed below, a public official has "received" or "accepted" a gift when he or she has actual possession of the gift or when he or she takes any action exercising direction or control over the gift, including discarding the gift or turning it over to another person. This includes gifts that are accepted by someone else on the official's behalf and gifts made to others at the direction of the official. (Regulation 18941.)

Gifts to Family Members

Under certain circumstances, a gift to an official's family member* is considered a gift to the official. (Regulation 18943.) Anything given to a family member is presumed to be a gift to the official if: (1) there is no established relationship between the donor and the family member where it would generally be considered appropriate for the family member to receive the gift or; (2) the donor is someone who lobbies the official's agency, is involved in an action before the official's agency in which the official may foreseeably participate, or engages in business with the agency in which the official will foreseeably participate. (Wedding gifts are treated differently, see below.)

*For purposes of this rule, an official's "family member" includes the official's spouse; registered domestic partner; any minor child of the official who the official can claim as a dependent for federal tax purposes; and a child of the official who is aged 18 to 23 years old, attends school, resides with the official when not attending school, and provides less than one-half of his or her own support.

⁵ The gift limit is adjusted biennially to reflect changes in the Consumer Price Index. For 2021-2022, the gift limit is \$520. (Section 89503; Regulation 18940.2.) Gifts from a single source aggregating to \$50 or more must be disclosed, and gifts aggregating to \$520 or more during any 12-month period may subject an official to disqualification with respect to the source. (Section 87103(e).) Designated employees should obtain a copy of their conflict of interest code from their agency. Some conflict of interest codes require very limited disclosure of income and gifts. Gifts from sources that are not required to be disclosed on the Form 700 are not subject to the \$520 gift limit but still may subject the public official to disqualification.

Source of Gift

Under most circumstances, it is clear who the source of a gift is, but if the circumstances indicate that the gift is being provided by an intermediary, the public official must determine both the donor and the intermediary in reporting the gift. Regulation 18945 provides the rules for determining the source of the gift.

Gifts from Multiple Sources

In determining the cumulative value of any reportable gifts, separate gifts from an individual and an entity that the individual controls must be aggregated as one source to comply with the reporting and limit requirements. For example, separate gifts from the owner of a company and from the company itself would be treated as if from one source if the owner has more than a 50 percent interest in the company, unless the making of the gift was determined by someone else in the company. In that case, the gift from the company would be aggregated with any gifts made by that determining individual. (Regulation 18945.1.)

Group gifts, where a public official receives a single gift from multiple donors (such as a retirement gift from coworkers), need not be reported unless any person contributes \$50 or more to the total cost of the gift. In that case, the public official would only report a gift from each of those persons. (Regulation 18945.2.)

Valuing Gifts

The general rule for determining the value of a gift is to apply the fair market value at the time the gift is received. Fair market value can be determined by finding any local or Internet advertisement for the item. Special exceptions to the fair market value rule are contained in Regulations 18946.1 through 18946.5 covering admission to ticketed and invitation-only events, wedding gifts, attendance at nonprofit and political fundraisers, and air travel. (Regulation 18946.) For example, for ticketed events, the value is the face value of the ticket.

General Gift Exceptions

Form 700 Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
No	No	No	No

The following payments are exceptions to the definition of gift and are not considered gifts or income.

1. **Return or Reimbursement of Gift.** Items that are returned (unused) to the donor, or for which the public official reimburse the donor, within 30 days of receipt. (Section 82028(b)(2); Regulation 18941.)
2. **Donation of Gift to Nonprofit Group.** Items that are donated (unused) to a non-profit, tax-exempt (501(c)(3)) organization in which the official (or immediate family member) does not hold a position, or to a government agency, within 30 days of receipt without claiming a deduction for tax purposes. (Section 82028(b)(2); Regulation 18941.)
3. **Gifts from Family.** Gifts from the public official's spouse (or former spouse), child, parent, grandparent, grandchild, brother, sister, current or former parent-in-law, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin or the spouse of any such person, unless he or she is acting as an agent or intermediary for another person who is the true source of the gift. (Section 82028(b)(3); Regulation 18942(a)(3).) This exception includes great grandparents, great uncles and aunts, great nieces and nephews, and first cousins once removed.
4. **Informational Material.** Informational material provided to assist the public official in the performance of his or her official duties, including books, reports, pamphlets, calendars, periodicals, videotapes, or free admission or discounts to informational conferences or seminars.

"Informational material" may also include scale models, pictorial representations, maps, and other such items. However, if the item's fair market value is more than \$-520, the public official has the burden of demonstrating that the item is informational. In addition, on-site demonstrations, tours, or inspections, including air flights over an area that is the subject of the information and designed specifically for public officials, are considered informational material. However, this exception does not apply to meals or lodging. Furthermore, the exception generally does not apply to transportation to the site, except for any portion of the transportation that is not commercially available. (Section 82028(b)(1); Regulations 18942(a)(1) and 18942.1.)

5. **Inheritance.** A devise or inheritance. (Section 82028(b)(5); Regulation 18942(a)(5).)

6. **Campaign Contributions.** Campaign contributions to an official, including rebates or discounts received in connection with campaign activities (Section 82028(b)(4); Regulations 18942(a)(4), 18950(a) and 18950.3(a)) and permissible expenditures of campaign funds for campaign-related expenses, including payments for transportation, lodging or food (Regulations 18950(a) and 18950.3(b)), provided they comply and are properly reported in accordance with applicable campaign finance laws.

7. **Plaques.** Personalized plaques and trophies with an individual value of less than \$250. (Section 82028(b)(6); Regulation 18942(a)(6).)

8. **Ceremonial Role.** Free admission to a ticketed event (including any benefits included in the price of the ticket such as a free meal) for the official and one guest at an event where the official performs a ceremonial role, such as throwing out the first pitch at a Dodgers' game, so long as the official's agency complies with the posting provisions set forth in Regulation 18944.1(d). (Regulation 18942(a)(13); Regulation 18942.3; also see discussion of Form 802 below under "Gifts Exceptions Requiring Alternate Reporting.")

9. **Event Where Official Makes a Speech.** Free admission, and food and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event. (Regulation 18942(a)(11).)

10. **Attending Wedding Reception.** Benefits received as a guest attending a wedding reception where the benefits are the same as those received by the other guests at the reception. (Regulation 18942(a)(15).)

11. **Bereavement Offerings.** Bereavement offerings, such as flowers at a funeral received in memory of a close family member. (Regulation 18942(a)(16).)

12. **Acts of Neighborliness.** Benefits received as an act of neighborliness such as the loan of an item, an occasional ride, or help with a repair where the act is consistent with polite behavior in a civilized society and would not normally be part of an economic transaction between like participants under similar circumstances. (Regulation 18942(a)(17).)

13. **Campaign or Nonprofit Fundraiser.** Two tickets for admission, for use by only the official and one guest, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket(s) must be received from the organization or committee holding the fundraiser. (Regulation 18946.4.)

14. **Unused Passes or Tickets.** Passes or tickets that provide admission or access to facilities, goods, services, or other benefits (either on a one-time or repeated basis) that the public official does not use and do not give to another person. (Regulation 18946.1.)

15. **Items Provided to Government Agency.** Subject to certain conditions, items provided to a government agency and used by public officials in the agency for agency business. This may include

passes or tickets to (see Regulation 18944.1) or payments for other types of items or activities (see Regulation 18944). An agency must disclose specified payments on a form provided by the FPPC and post the form on its website. (See discussion of Forms 801 and 802 below under “Gift Exceptions Requiring Alternate Reporting.”) Contact the FPPC for detailed information.

16. Emergency Leave Credits. Leave credits (e.g., sick leave or vacation credits) received under a bona fide catastrophic or emergency leave program established by the public official's employer and available to all employees in the same job classification or position. Donations of cash are gifts and are subject to limits and disclosure. (Regulation 18942(a)(9).)

17. Disaster Relief. Food, shelter, or similar assistance received in connection with a disaster relief program. The benefits must be received from a governmental agency or charity and must be available to the general public. (Regulation 18942(a)(10).)

18. Agency Raffle. Items awarded in an agency raffle received by the agency from an employee who is not acting as an intermediary for another donor. This exception applies when an agency holds an employee raffle and the item awarded in the raffle has been obtained with agency funds, or is otherwise an asset of the agency and not donated to the agency by a non-agency source. This exception does not apply to passes or tickets of the type described in Regulation 18944.1. (Regulation 18944.2(a) and (b).)

19. Employee Gift Exchange. Items received by an employee during an employee gift exchange, so long as the items received are provided by another employee of the agency and the gifts are not substantially disproportionate in value. (Regulation 18944.2(c).)

Limited Gift Exceptions

Form 700 Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
No	No	No	No

1. Home Hospitality. Gifts of hospitality including food, drink or occasional lodging that an official receives in an individual's home when the individual or a member of his or her family is present. (Regulation 18942(a)(7).) For this exception to apply, the official must have a relationship, connection or association with the individual providing the in-home hospitality that is unrelated to the official's position and the hospitality must be provided as part of that relationship. Generally, this means functions like children's birthday parties, soccer team parties, neighborhood barbeques, etc., where other guests attend who are not part of the lobbying process. (Regulation 18942.2.)

2. Reciprocal Holiday Gifts. Gifts commonly exchanged between an official and another individual on holidays, birthdays, or similar occasions to the extent that the gifts exchanged are not substantially disproportionate in value. (Regulation 18942(a)(8)(A).)

3. Reciprocal Exchanges. Reciprocal exchanges between an official and another individual that occur on an ongoing basis so long as the total value of payments received by the official within the calendar year is not substantially disproportionate to the amount paid by the official and no single payment is \$520 or more. For example, if two people get together regularly for lunches and rotate picking up the lunch tab so that each pays approximately half the total value over the course of the calendar year, no gift need be reported. (Regulation 18942(a)(8)(B).)

4. Dating Relationship. Personal benefits commonly received from a dating partner. These gifts are not disclosable or limited but are subject to disqualification under the conflict of interest laws if the dating partner has certain business before the official as set forth in Regulation 18942(a)(18)(D). (Regulation 18942(a)(18)(A).)

5. Acts of Human Compassion. Assistance, financial or otherwise, to offset family medical or living expenses that the official can no longer meet without private assistance because of an accident, illness, employment loss, death in the family, or other unexpected calamity; or to defray expenses associated with humanitarian efforts such as the adoption of an orphaned child, so long as the source of the donation is an individual who has a prior social relationship with the official of the type where it would be common to provide such assistance, or the payment is made without regard to official status under other circumstances in which it would be common to receive community outreach. (Regulation 18942(a)(18)(B).) This exception does not apply if the person providing the benefit to the official is an individual who otherwise has business before the official as set forth in Regulation 18942(a)(18)(D).

6. Long-Time Friend. Benefits received from a long-time personal friend where the gift is unrelated to the official's duties. The exception does not apply if the individual providing the benefit to the official is involved in some manner with business before the official. (Regulation 18942(a)(18)(C).) This exception does not apply if the person providing the benefit to the official is an individual who otherwise has business before the official as set forth in Regulation 18942(a)(18)(D).

7. Existing Personal Relationship. Benefits received from an individual where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made that the official makes or participates in the type of governmental decisions that may have a reasonably foreseeable material financial effect on the individual who would otherwise be the source of the gift. (Regulation 18942(a)(19).)

Very Limited Gift Exception

Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
Yes - ½ value as gift	Yes	No	No

Wedding Gifts. Wedding gifts are not subject to the \$520 gift limit. However, wedding gifts are reportable, but for purposes of valuing wedding gifts, one-half of the value of each gift is attributable to each spouse. (Regulation 18946.3.)

Gift Exceptions Requiring Alternate Reporting

Form 700 Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
Yes - As Income	Yes	No	No

Prize or Award. A prize or award received in a bona fide contest or competition, or game of chance. **Note: Unlike the other exceptions, payments that fall into this exception must be reported as income if valued at \$520 or more.** To qualify for this exception the contest or competition must be unrelated to the official's duties. (Regulation 18942(a)(14).)

Agency Reports

Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
Yes - On 801 or 802	No	No	No

The following exceptions are also applicable to payments made to a government agency that are used by officials in the agency under certain conditions to conduct agency business. These types of payments are not treated as gifts or income to the officials who use them, so long as the payments meet certain conditions and they are reported by the officials' agency. These reports must appear on either a Form 801 or Form 802, instead of the official reporting the items on a statement of economic interests (Form 700).

Form 801 – Payment to Agency Report: This form covers gifts or donations made to an agency and used by one or more officials in the agency for agency business. This may include travel payments, reimbursements, or other uses by an official, but does not cover tickets or passes providing admission to an entertainment or sporting event, which are reported on the Form 802 (discussed below). If the payment meets the requirements of Regulations 18944 or 18950.1, the agency must report it on a Form 801 and the item is not reported on the individual’s statement of economic interests (Form 700). (Regulations 18944 and 18950.1.)

Form 802 – Agency Report of Ceremonial Role Events and Ticket/Pass Distributions: This form covers gifts or donations made to an agency that provide tickets or passes to an agency official for admission to an entertainment or sporting event. For the ticket or pass to be exempt from reporting on the individual’s statement of economic interests (Form 700), the agency must have a written policy stating the public purpose for distribution of the tickets. The ticket or pass cannot be earmarked by the original source for use by a particular agency official and the agency must determine, in its sole discretion, which official may use the ticket or pass. (Regulation 18944.1.) The Form 802 is also used to report tickets provided for officials who perform a ceremonial role on behalf of the agency.

Behested Payments Reports

Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
Yes - Form 803 Behested Payment	No	No	No

Behested Payments. Generally, payments made at the behest of an official that do not confer a personal benefit on an official such as those made by a third party to co-sponsor an event, or that are principally legislative, governmental or charitable in nature, are not gifts. However, when a local elected officer is making the behest, in some cases these payments may be considered “behested payments” under Section 82004.5 and require disclosure by that elected officer.

Form 803 – Behested Payment Report

- Behested payments are payments made principally for legislative, governmental, or charitable purposes. These payments are not for personal or campaign purposes. For example, a local elected official may ask a third party to contribute funds to a school in her district, or to a job fair or health fair.
- Generally, a donation will be “made at the behest” if it is requested, solicited, or suggested by the elected officer or member of the Public Utilities Commission, or otherwise made to a person in cooperation, consultation, coordination with, or at the consent of, the elected officer or PUC member. This includes payments behested on behalf of the official by his or her agent or employee.
- A behested payment does not include payments to an official from a local, state, or federal government agency for use by the official to conduct agency business. For example, free parking provided by a governmental entity to an official for agency business is not a behested payment and is not subject to reporting.
- Behested payments totaling \$5,000 or more from a single source in a calendar year must be disclosed by the official on a Form 803, which is filed with the official’s agency within 30 days of the date of the payment(s). (Section 82015; Regulation 18215.3.)

Honoraria

What is an “Honorarium”?

An “honorarium” is any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. An honorarium includes gift cards or any gift of more than nominal benefit provided in connection with an activity described above. An honorarium does not include items of nominal value such as a pen, pencil, note pad, or similar item. (Section 89501; Regulation 18932.4(e).)

A “speech given” means a public address, oration, or other form of oral presentation, including participation in a panel, seminar, or debate. (Regulation 18931.1.)

An “article published” means a nonfictional written work: 1) that is produced in connection with any activity other than the practice of a bona fide business, trade, or profession; and 2) that is published in a periodical, journal, newspaper, newsletter, magazine, pamphlet, or similar publication. (Regulation 18931.2.)

“Attendance” means being present during, making an appearance at, or serving as host or master of ceremonies for any public or private conference, convention, meeting, social event, meal, or like gathering. (Regulation 18931.3.)

The Act and Commission regulations provide certain exceptions to the prohibition on honoraria. (Section 89501(b); Regulations 18932 –18933.)

The Prohibition

Local officials specified in Section 87200 (see page 2) are prohibited from receiving any honoraria payments. Officials and employees of local agencies who file statements of economic interests (Form 700) under the agency’s conflict of interest code (“designated employees”) may not receive honoraria payments from any source if the employee would be required to report income or gifts from that source on the Form 700, as outlined in the “disclosure category” portion of the conflict of interest code. (Section 89502.)

Honoraria Exceptions that also apply to gifts and income

1. **Returned.** An honorarium that the public official returns (unused) to the donor or the donor’s agent or intermediary within 30 days. (Section 89501(b); Regulation 18933.)
2. **Donated to General Fund.** An honorarium that is delivered to the official’s local agency within 30 days for donation to the agency’s general fund and for which the public official does not claim a deduction for income tax purposes. (Section 89501(b); Regulation 18933.)
3. **Made to Nonprofit Organization.** A payment that is not delivered to the public official but is made directly to a bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organization. However:
 - The official may not make the donation a condition for his or her speech, article, or attendance;
 - The official may not claim the donation as a deduction for income tax purposes;
 - The official may not be identified to the non-profit organization in connection with the donation; and
 - The donation may have no reasonably foreseeable financial effect on the public official or on any member of his or her immediate family. (Regulation 18932.5.)

4. Payment from Family Member. A payment received from the public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person. However, a payment that would be considered an honorarium is prohibited if one of these persons is acting as an agent or intermediary for someone else. (Regulation 18932.4(b).)

5. Payment for Performance or Book. Payments received for a comedic, dramatic, musical, or other similar artistic performance, and payments received for the publication of books, plays, or screenplays. (Regulations 18931.1 and 18931.2.)

6. Reimbursement for Travel Where Official Provides Consideration. Reimbursements for reasonable travel expenses provided to the public official by a bona fide non-profit, tax-exempt (501(c)(3)) entity for which the public official provides equal or greater consideration. The payment would also be exempt from the definition of income under Section 82030(b)(2). (See discussion under "Travel Payments" below.)

Honoraria Exceptions where the payment may still be considered income (or a gift, if consideration of equal or greater value is not provided by the official)

1. Admission to Event Where Official Gives Speech. Free admission, and refreshments and similar non-cash nominal benefits, provided to an official during the entire event at which he or she gives a speech, participates in a panel or provides a similar service, and in-California transportation and necessary lodging and subsistence provided directly in connection with the speech, panel or service, including meals and beverages on the day of the activity. (Regulation 18932.4(e).)

2. Earned Income from a Business. Income earned and payments for travel made in connection with personal services rendered by the official if the services are provided in connection with a bona fide business, trade, or profession — such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting — and the services are customarily provided in connection with the business, trade, or profession. (Section 89506(d)(3) and Regulations 18950(a) and 18950.2.)

This exception does not apply if the sole or predominant activity of the business, trade, or profession is making speeches. In addition, the public official must meet certain criteria to establish that he or she is conducting or in a bona fide business, trade, or profession (such as maintenance of business records, licensure, proof of teaching position) before a payment received for personal services which may meet the definition of honorarium would be considered earned income and not an honorarium. (Section 89501(b); Regulations 18932 –18932.3.) Earned income is required to be reported. Contact the FPPC for detailed information.

3. Travel from a Government Agency. Travel payments provided to the public official by his or her government agency or by any state, local, or federal government agency which would be considered income and not a gift. (Section 89506(d)(2).) See discussion under "Travel Payments" below.

Travel Payments Exceptions

Generally, when an official receives a payment (including reimbursement) for his or her travel, that payment is a reportable gift or income under the Act. The term “travel payment” includes payments, advances, or reimbursements for travel, including actual transportation, parking and related lodging and subsistence. (Section 89506(a).)

If the payment is a gift, it is also normally subject to the Act’s \$520 gift limit. If the payment is income, it may, in some cases, be an honorarium. Whether a payment is a gift or income, the official may be required to disqualify him or herself from any decision that will have a foreseeable materially financial effect on the source.

Certain Travel Payments are not a Gift, Income or Honorarium

Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
No	No	No	No

The following travel payments are not a gift, income or honorarium under the Act and Commission regulations and are thus not reportable, potentially disqualifying, or subject to any of the Act’s gift limits or the honorarium ban.

- 1. Travel from a Non-Reportable Source.** A payment for travel from a source that is not reportable on the official’s statement of economic interests (Form 700) based on the provisions of the conflict of interest code of the official’s agency.
- 2. Travel from Government Agency for Training.** A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes. (Regulation 18950(a) and (c)(2).)
- 3. Sharing a Ride with Another Official.** A payment for travel provided to the official in a vehicle or aircraft owned by another official or agency when each official is traveling to or from the same location for an event as a representative of their respective offices. (Regulation 18950(a) and (c)(3).)
- 4. Certain Travel from a Government Agency or 501(c)(3).** Travel payments provided to the official by any state, local, or federal government agency as part of the official’s employment with that agency or provided to the official by a bona fide non-profit, tax-exempt (501(c)(3)) entity for which the official provides equal or greater consideration. (Section 82030(b)(2).) Any person who claims to have provided consideration has the burden of proving that the consideration received is of equal or greater value.
- 5. Travel for Official Agency Business.** Certain payments made to an agency to cover the travel expenses of an employee who travels in the course of carrying out agency business are not gifts to the official because these payments do not provide a “personal benefit” to the official. For this exception to apply, the agency must report the payment on a Form 801 and the amount and purpose for using the payments are restricted by the provisions set forth in Regulation 18950.1.
- 6. Campaign Contribution.** A payment for travel that constitutes a campaign contribution to an official (Sections 82015, 82028(b)(4); Regulations 18215, 18942(a)(4), 18950(a) and 18950.3(a)), and permissible expenditures of campaign funds for campaign-related travel (Regulations 18950(a) and 18950.3(b)), provided they comply and are properly reported in accordance with applicable campaign finance laws.

7. Travel Payments Fulfilling Terms of Contract. Payments made to a governmental entity for travel expenses that are required to fulfill the terms of a contract. Neither the governmental entity nor the public official has a reporting obligation because consideration has been provided. (Section 82028; *Ratto* Advice Letter, No. I-14-057.)

Certain Travel Payments are Reportable and may Subject the Official to Possible Conflicts of Interest, but are not Subject to the \$520 Gift Limit or Honoraria Ban of the Act.

Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
Yes	Yes	No	No

Travel for a Public Purpose Under Section 89506(a). Any payments for actual transportation expenses and related lodging and subsistence that are made for a purpose reasonably related to: (1) A legislative or governmental purpose, or (2) An issue of state, national, or international policy so long as the travel is either

(a) *Travel for Speech.* In connection with a speech given by the official and the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech and the travel is within the United States, or

(b) *Travel paid for by government agency or 501(c)(3) organization.* Provided by a government agency or authority, (including a foreign government), a bona fide public or private educational institution as defined in Section 203 of the Revenue and Taxation Code, or a nonprofit organization that qualifies under Section 501(c)(3) of the Internal Revenue Code or a foreign organization that substantially satisfies the criteria of that section.

These payments are still reportable on the Form 700 and may create a conflict of interest issue for the official.

Payments for Travel in Connection with a Business

Reporting	C/I § 87100	Honoraria Ban	\$520 Gift Limit
Yes - as Income	Yes	No	No

Payments for travel made in connection with personal services rendered by the official if the services are provided in connection with a bona fide business, trade, or profession — such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting — and the services are customarily provided in connection with the business, trade, or profession. (Section 89506(d)(3) and Regulations 18950(a) and 18950.2.)

Loans

Personal loans received by certain local officials are subject to limits and other restrictions, and in some circumstances, a personal loan that is not being repaid or is being repaid below certain amounts may become a gift to the official who received it.

Limitations on Loans from Agency Officials, Consultants, and Contractors

Officials Must Not Receive Loans from Agency Staff. If the public official is a local elected officer or an official specified in Section 87200 (see page 2), he or she may not receive a personal loan that exceeds \$250 at any given time from an officer, employee, member, or consultant of his or her government agency or an agency over which his or her agency exercises direction and control. (Section 87460(a) and (b).)

Officials Must Not Receive Loans from Agency Contractors. In addition, the public official may not receive a personal loan that exceeds \$250 at any given time from any individual or entity that has a contract with his or her government agency or an agency over which his or her agency exercises direction and control. This limitation does not apply to loans received from banks or other financial institutions, and retail or credit card transactions, made in the normal course of business on terms available to members of the public without regard to his or her official status. (Section 87460(c) and (d).)

Loans to Elected Officials Must be in Writing

In addition to the limitations above, if the public official is elected, he or she may not receive a personal loan of \$500 or more unless the loan is made in writing and clearly states the terms of the loan. The loan document must include the names of the parties to the loan agreement, as well as the date, amount, interest rate, and term of the loan. The loan document must also include the date or dates when payments are due and the amount of the payments. (Section 87461.)

The following loans are not subject to these limits and documentation requirements:

1. **Campaign Loans.** Loans received by an elected officer's or candidate's campaign committee.
2. **Loans from Family Members.** Loans received from the public official's spouse, child, parent, grandparent, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person unless he or she is acting as an agent or intermediary for another person not covered by this exemption.

Loans as Gifts

Under the following circumstances, a personal loan received by **any** public official (elected and other officials specified in Section 87200, as well as any other local official or employee required to file statements of economic interests) may become a gift and subject to gift reporting and limitations:

1. If the loan has a defined date or dates for repayment and has not been repaid, the loan will become a gift when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, the loan will become a gift if it remains unpaid when one year has elapsed from the later of:
 - The date the loan was made;
 - The date the last payment of \$100 or more was made on the loan; or
 - The date upon which the public official have made payments aggregating to less than \$250 during the previous 12 months. (Section 87462.)

The following loans will not become gifts:

- A loan made to an elected officer's or candidate's campaign committee. This loan would, however, be a campaign contribution and must be reported accordingly.
- A loan described above on which the creditor has taken reasonable action to collect the balance due.
- A loan described above on which the creditor, based on reasonable business considerations, has not undertaken collection action. (However, except in a criminal action, the creditor has the burden of proving that the decision not to take collection action was based on reasonable business considerations.)
- A loan made to an official who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: **BOARD COMMUNICATIONS POLICY FACT SHEET**

Written Report

Background/Discussion

The OCERS Monitoring and Reporting Policy requires that a copy of the Board of Retirement Communications Policy Fact Sheet be provided to the Board members annually. The Fact Sheet summarizes the contents of the OCERS Communications Policy and is intended to provide Board members with a quick reference guide.

The objectives of the OCERS Communication Policy are to encourage and facilitate open, accurate, timely and effective communications among all relevant parties, and to mitigate the risks to OCERS, the Board and the Board members that may arise in connection with communications. The policy was last revised in April 2020.

A copy of the OCERS Communication Policy and the Communications Policy Fact Sheet are attached.

Attachments

- (1) Communications Policy
- (2) Communications Policy Fact Sheet

Submitted by:



Gina M. Ratto
General Counsel



OCERS Board Policy Communications Policy

Background

1. The OCERS Board of Retirement (Board) recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board wishes to establish protocols and mechanisms for communications among Board members; and between Board members and OCERS management, employers, members, and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members, and OCERS team members with guidelines for executing the communications function of the Board.

Policy Objectives

2. To encourage and facilitate open, accurate, timely, and effective communications with all relevant parties.
3. To mitigate risks to OCERS, the Board, and Board members that may arise in connection with communications.

Principles and Assumptions

4. Inappropriate or erroneous communications from Board members may represent a significant risk to OCERS, the Board, and individual Board members.
5. A Board member communications policy must balance the need to mitigate that risk with the need for open and efficient communication.

Policy Guidelines

General Guidelines

6. Members of the Board and the OCERS team represent many differing backgrounds and viewpoints. Therefore, Board members and staff will not send partisan political communications to members of the Board, OCERS team members, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and OCERS team members will not use OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for fulfillment of duties of a duly appointed labor representative.
8. Members of the Board and OCERS team members will not engage in communications that may be considered offensive, profane, vulgar, or based on any characteristics of a protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and / or groups of people. Electronic communications also present challenges in managing communications, potential violations of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the "Brown Act") and challenges in complying with the Public Records Act (Gov. Code §§6250, et.seq.). As such, the Board has adopted the following guidelines for use and management of electronic mail by Board members:



OCERS Board Policy Communications Policy

- a. Electronic mail pertaining to OCERS business constitutes a business record of OCERS subject to the OCERS Records Retention and Guidelines Policy and the Public Records Act.
- b. Electronic mail between Board members must not violate any provision of the Brown Act.
- c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee of the Board shall be submitted to the CEO or his or her designee only. The CEO or his or her designee will then, in his or her discretion, forward said communications to the full Board via a special email. Regardless of whether or not provided via a special email, unless the content of the message is inconsistent with OCERS' policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.
- d. In the event that an electronic mail communication is sent by a member of the OCERS team to a Board member's personal email account, the OCERS team member shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.
- e. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption) regardless of the fact that they were sent, received or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to a member of the OCERS team, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:
 - a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);
 - b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);
 - c. Allowing proper public comment on agenda items before or during consideration by the Board (section 54954.3 of the Brown Act);
 - d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (section 54954.5 of the Brown Act);



OCERS Board Policy Communications Policy

- e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by section 54952.3 of the Brown Act);
 - f. Not taking any action, whether preliminary or final, by secret ballot (section 54953(c) of the Brown Act); and
 - g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public, upon request and without delay (section 54957.5 of the Brown Act).
- 11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education to members of the Board.
 - 12. A member of the Board shall disclose information in his or her possession pertinent to the affairs of OCERS to the entire Board in a timely manner.
 - 13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Members and Employers

- 14. Members of the Board shall mitigate the risk of miscommunication with employers, OCERS active and deferred members, and retirees, and potential liability through adverse reliance by third parties by avoiding giving explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or processes.
- 15. Where explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or process is needed, Board members will refer inquiries to the CEO or appropriate designee. The CEO or such designee will inform the Board member when and how the matter was resolved.
- 16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential.

Board Member Communications with OCERS Management

- 17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS' policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.
- b. All other Board member requests for information shall be directed to the CEO, who shall in turn direct staff as appropriate.
- c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations and public policy issues shall be directed



OCERS Board Policy Communications Policy

solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.

18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.
- b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.
19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.
20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

21. In general, in communicating with external parties, the following guidelines will apply:
 - a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all OCERS members;
 - b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications even if they may have opposed them or disagreed with them during Board deliberations;
 - c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential;
 - d. Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and
 - e. In external communications, Board members are expected to disclose when they are not representing an approved position of the Board or are not speaking in their capacity as a member of the Board.
22. Subject to section 21 above, in situations that call for a spokesperson for the Board, the Chair or his or her designee shall act as spokesperson for the Board. Generally, the spokesperson should request that reporters put questions in writing.



OCERS Board Policy Communications Policy

23. When interviewed, or otherwise approached by the media for information concerning the affairs of OCERS, members of the Board shall refrain from making any unilateral commitments on behalf of the Board or OCERS.
24. To help ensure the accuracy of any oral and/or written material created for the purpose of publication or presentation by members of the Board, in their capacity as such, and to ensure that neither OCERS, the Board, or such member of the Board is placed at risk thereby, all such material shall be peer reviewed by the CEO or legal counsel prior to being submitted for publication or presentation.

Policy Review

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

Policy History

26. This policy was adopted by the Board of Retirement on November 18, 2002.
27. The policy was revised on April 16, 2007, March 24, 2008, May 17, 2011, March 17, 2014, January 20, 2015, March 16, 2015, May 15, 2017 and April 20, 2020.

Secretary's Certificate

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

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

Steve Delaney
Secretary of the Board

04/20/2020

Date

COMMUNICATIONS POLICY FACT SHEET

COMMUNICATIONS AMONG BOARD MEMBERS

- ◆ Carry out all activities in the spirit of open governance and in compliance with the Brown Act.
- ◆ Disclose pertinent information to the entire Board and CEO in a timely manner.
- ◆ Communicate in a straightforward, constructive and professional manner.

COMMUNICATIONS WITH OCERS MANAGEMENT

- ◆ Direct concerns or questions about OCERS to the CEO or senior management staff.
- ◆ Direct requests for information to the CEO and limit those requiring expenditure of staff time or resources to those consistent with the Board's roles and responsibilities.
- ◆ All information requested by Board members shall be made available to the entire Board.

COMMUNICATIONS WITH EXTERNAL PARTIES

- ◆ Communications shall be consistent with the fiduciary duty to represent the interests of plan members.
- ◆ Board decisions shall be respected despite personal agreement or disagreement.
- ◆ Board members shall not disclose confidential communications.
- ◆ Board members shall not speak for the entire Board unless authorized to do so.
- ◆ Board members shall disclose when not representing an approved Board position or when not speaking in their Board capacity.
- ◆ The Chair and CEO shall jointly designate a spokesperson on an issue by issue basis.
- ◆ No Board member shall make unilateral commitments to the press to provide information on behalf of the Board or OCERS.
- ◆ Written material created for publication or presentation by a Board member, in his or her capacity as such, shall be peer reviewed by the CEO or internal legal counsel prior to submission or presentation.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Tracy Bowman, Director of Finance
SUBJECT: **FOURTH QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT**

Written Report

Background/Discussion

In accordance with OCERS' Travel Policy, the Chief Executive Officer is required to submit a quarterly report to the Board of Retirement on conference attendance and related expenditures incurred by OCERS' Board Members and staff. Attached is the Fourth Quarter 2020 Travel and Training Expense Report that includes all expenses submitted through December 31, 2020.

Submitted by:

A stamp that reads "OCERS T.B. - Approved" with a signature line above it.

Tracy Bowman
Director of Finance

01-19-2021 REGULAR BOARD MEETING - R-10 Fourth Quarter 2020 Travel and Training Expense Report

TRAVEL AND TRAINING EXPENSE REPORT
Fourth QUARTER 2020
Submitted Through December 31 , 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
DEWANE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,247.38
FREIDENRICH	10/23/20	CALAPRS Trustees Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
	11/10-11/13/20	SACRS Fall Conference	Online	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	170.00	-	-	-	-	-	170.00	-
HIDALGO	10/23/20	CALAPRS Trustees Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total					-	50.00	-	-	-	-	-	50.00	-
HILTON	1/13-1/14/20	SACRS Meeting	Sacramento, CA	Meeting	-	-	7.61	147.96	448.91	26.00	-	630.48	-
	1/26-1/28/20	NCPERS Legislative Conference	Washington, D.C.	Conference	-	565.00	18.74	385.00	1,027.95	52.00	-	2,048.69	-
	2/10-2/11/20	SACRS Meeting	Sacramento, CA	Meeting	-	-	9.50	237.97	-	60.60	-	308.07	-
	2/29-3/2/20	NASRA Winter Conference	Washington, D.C.	Conference	14.61	675.00	57.52	316.40	1,006.96	100.20	-	2,170.69	-
	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	101.55	250.00	-	-	813.45	-	-	1,165.00	-
	3/16/20	SACRS Meeting (1)	Sacramento, CA	Meeting	-	-	-	194.96	-	-	-	194.96	-
	11/10-11/13/20	SACRS Fall Conference	Online	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					116.16	1,610.00	93.37	1,282.29	3,297.27	238.80	-	6,637.89	20,557.56
LINDHOLM					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	701.02
PACKARD					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,236.24
PREVATT	8/5/20	NASRA Annual Conference	Online	Conference	-	395.00	-	-	-	-	-	395.00	-
	11/10-11/13/20	SACRS Fall Conference	Online	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	515.00	-	-	-	-	-	515.00	17,159.36
TAGALOA	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	-	250.00	-	-	813.45	-	-	1,063.45	-
	7/28-8/13/20	SACRS/UC Berkeley 2020 Program	Online	Training	-	500.00	-	-	-	-	-	500.00	-
	8/18/20 & 8/25/20	CALAPRS Principles for Trustees	Online	Training	-	375.00	-	-	-	-	-	375.00	-
	11/10-11/13/20	SACRS Fall Conference	Online	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	1,245.00	-	-	813.45	-	-	2,058.45	-
VALLONE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,743.23
BOARD Total					116.16	3,590.00	93.37	1,282.29	4,110.72	238.80	-	9,431.34	47,644.79
DELANEY	2/7/20	CALAPRS Administrators Round Table	Costa Mesa, CA	Conference	-	125.00	-	-	-	20.00	-	145.00	-
	2/29-3/2/20	NASRA Winter Conference	Washington, D.C.	Conference	-	675.00	-	538.01	845.31	118.72	-	2,177.04	-
	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	-	250.00	205.56	-	-	-	-	455.56	-
	8/5/20	NASRA Annual Conference	Online	Conference	-	395.00	-	-	-	-	-	395.00	-
	9/24/20	CALAPRS Administrators Institute	Online	Training	-	500.00	-	-	-	-	-	500.00	-
	11/10-11/13/20	SACRS Fall Conference	Online	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					-	2,065.00	205.56	538.01	845.31	138.72	-	3,792.60	21,516.09
JENIKE	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	82.23	250.00	41.78	-	542.30	-	-	916.31	-
Sub Total					82.23	250.00	41.78	-	542.30	-	-	916.31	8,952.48
SHOTT	1/26-1/28/20	GFOA/CORBA Meeting	Washington, D.C.	Meeting	9.49	-	151.17	477.78	621.06	166.16	-	1,425.66	-
	2/23-2/25/20	Gartner CIO Leadership Forum	Phoenix, AZ	Conference	9.49	3,000.00	139.50	453.96	1,164.83	150.99	-	4,918.77	-
	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	117.30	250.00	77.68	-	542.30	10.66	-	997.94	-
	3/19/20	CalSTRS Meeting (1)	Sacramento, CA	Meeting	-	-	-	329.97	-	-	-	329.97	-
	10/16-10/30/20	P2F2 Full Virtual Conference	Online	Conference	-	500.00	-	-	-	-	-	500.00	-
	Varies	AICPA Annual Webcast	Online	Training	-	599.00	-	-	-	-	-	599.00	-
		Encoursa Regulatory Review for CPA's	Online	Training	-	27.00	-	-	-	-	-	27.00	-
Sub Total					136.28	4,376.00	368.35	1,261.71	2,328.19	327.81	-	8,798.34	7,840.34
TORRES	5/20/20	Pryor Learning- Transitioning to Supervisor	Online	Training	-	149.00	-	-	-	-	-	149.00	-
Sub Total					-	149.00	-	-	-	-	-	149.00	-
EXECUTIVE Total					218.51	6,840.00	615.69	1,799.72	3,715.80	466.53	-	13,656.25	38,308.91

01-19-2021 REGULAR BOARD MEETING - R-10 Fourth Quarter 2020 Travel and Training Expense Report

TRAVEL AND TRAINING EXPENSE REPORT
Fourth QUARTER 2020
Submitted Through December 31, 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
BEESON	1/14-1/16/20	KKR, Mayfield, Accel KKR, DBL, Thoma Bravo, Genstar	San Jose, CA/San Francisco, CA	Due Diligence	-	-	81.20	227.96	725.22	97.06	-	1,131.44	-
	1/28-1/29/20	Five Point, Quantam, EnCap	Houston, TX	Due Diligence	-	-	15.44	233.96	304.20	28.34	-	581.94	-
	3/2-3/3/20	Thoma Bravo Annual Meeting	San Francisco, CA	Due Diligence	-	-	41.50	191.80	313.34	79.40	-	626.04	-
Sub Total					-	-	138.14	653.72	1,342.76	204.80	-	2,339.42	5,490.36
CHARY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	7,176.35
CLEBERG	5/8/20	CALAPRS Overview Course in Retirement (1)	Online	Training	-	-	-	234.96	-	-	-	234.96	-
	11/4-11/6/20	CALAPRS Intermediate Course in Retirement	Online	Training	-	250.00	-	-	-	-	-	250.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					-	450.00	-	234.96	-	-	-	684.96	768.53
JI	11/4-11/6/20	CALAPRS Intermediate Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
					-	400.00	-	-	-	-	-	400.00	-
MURPHY	1/10/20	Pacific Center for Asset Management	San Diego, CA	Due Diligence	69.92	-	-	-	-	-	-	69.92	-
	1/14-1/16/20	KKR, Mayfield, Accel KKR, DBL, Thoma Bravo, Genstar	San Jose, CA/San Francisco, CA	Due Diligence	-	-	105.48	68.99	771.98	231.06	-	1,177.51	-
	1/27/20	Pathfinder & Silver Rock	Los Angeles, CA	Due Diligence	49.28	-	-	-	-	-	-	49.28	-
	1/28-1/29/20	Five Point, Quantam, EnCap	Houston, TX	Due Diligence	-	-	-	512.80	340.44	160.40	-	1,013.64	-
	1/31/20	Meketa	Carlsbad, CA	Due Diligence	48.76	-	-	-	-	-	-	48.76	-
	3/7-3/10/20	CALAPRS General Assembly (2)	Palm Springs, CA	Conference	-	250.00	-	-	390.27	-	-	640.27	-
Sub Total					167.96	250.00	105.48	581.79	1,502.69	391.46	-	2,999.38	13,787.44
NGUYEN	1/31/20	Meketa	Carlsbad, CA	Due Diligence	46.57	-	-	-	-	12.68	-	59.25	-
	2/3/20	SDCERA: Investment Conference	La Jolla, CA	Conference	72.11	75.00	-	-	-	28.68	-	175.79	-
	2/24-2/28/20	BlackRock: Mastering Alternative Asset Classes	New York, NY	Conference	25.24	-	227.02	371.80	1,168.70	242.41	-	2,035.17	-
	11/4-11/6/20	CALAPRS Intermediate Course in Retirement	Online	Training	-	250.00	-	-	-	-	-	250.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					143.92	525.00	227.02	371.80	1,168.70	283.77	-	2,720.21	82.38
TUCKER	1/13-1/17/20	AIF Global, Blue Harbor	New York, NY/Greenwich, CT	Due Diligence	-	-	98.38	389.60	719.00	221.22	-	1,428.20	-
	3/11-3/19/20	Manager Due Diligence (1)	New York, NY	Due Diligence	-	-	-	466.80	-	-	-	466.80	-
	7/28-8/13/20	SACRS/UC Berkeley 2020 Program	Online	Training	-	500.00	-	-	-	-	-	500.00	-
Sub Total					-	500.00	98.38	856.40	719.00	221.22	-	2,395.00	7,852.16
TURAIGI	1/27/20	Pathfinder & Silver Rock	Los Angeles, CA	Due Diligence	57.04	-	-	-	-	-	-	57.04	-
	1/31/20	Meketa	Carlsbad, CA	Due Diligence	65.90	-	-	-	-	-	-	65.90	-
	2/24/20	PIMCO Bootcamp	Newport Beach, CA	Training	56.58	-	-	-	-	-	-	56.58	-
Sub Total					179.52	-	-	-	-	-	179.52	4,666.05	
WALANDER-SARKIN	1/31/20	Meketa	Carlsbad, CA	Due Diligence	45.31	-	-	-	-	-	-	45.31	-
	2/16-3/4/20	SuperReturn International/Manager Due Diligence	London/Berlin	Due Diligence	122.82	-	136.80	980.41	1,815.12	225.83	-	3,280.98	-
Sub Total					168.13	-	136.80	980.41	1,815.12	225.83	-	3,326.29	3,252.60
INVESTMENTS Total					699.53	2,125.00	705.82	3,679.08	6,548.27	1,327.08	-	15,044.78	43,075.87
KINSLER					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	161.53
RITCHEY	11/4-11/6/20	CALAPRS Intermediate Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					-	400.00	-	-	-	-	-	400.00	420.59
COMMUNICATIONS Total					-	400.00	-	-	-	-	-	400.00	582.12
FLETCHER	9/29/20	CALAPRS Attorneys Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total					-	50.00	-	-	-	-	-	50.00	-
MATSUO	9/23/20	CEB Wills & Trusts	Online	Training	-	480.00	-	-	-	-	-	480.00	-
	11/20/20	CALAPRS Course in Retirement Disability Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total					-	580.00	-	-	-	-	-	580.00	1,693.82
MCINTOSH	11/20/20	CALAPRS Course in Retirement Disability Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total					-	100.00	-	-	-	-	-	100.00	6,209.90
RATTO	1/17/20	SACRS Legislative Meeting	Sacramento, CA	Meeting	-	-	-	282.96	-	45.00	-	327.96	-
	2/19-2/21/20	NAPPA 2020 Winter Seminar	Tempe, AZ	Conference	10.00	555.00	63.40	241.96	838.66	20.70	-	1,729.72	-
	11/10-11/13/20	SACRS Fall Conference	Online	Conference	-	120.00	-	-	-	-	-	120.00	-
Sub Total					10.00	675.00	63.40	524.92	838.66	65.70	-	2,177.68	7,662.51
SHARMA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	39.72
SINGLETON					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	620.28
LEGAL Total					10.00	1,405.00	63.40	524.92	838.66	65.70	-	2,907.68	16,226.23

01-19-2021 REGULAR BOARD MEETING - R-10 Fourth Quarter 2020 Travel and Training Expense Report

TRAVEL AND TRAINING EXPENSE REPORT
Fourth QUARTER 2020
Submitted Through December 31 , 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
BERCARU					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
CAMARILLO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,612.03
FIELDS					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	149.50
JOVEL					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,402.01
LAMBERSON	9/10/20	CALAPRS Benefits Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
	11/4-11/6/20	CALAPRS Intermediate Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					-	450.00	-	-	-	-	-	450.00	-
LOPEZ					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	125.00
MARTINEZ, C					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	754.91
MERIDA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	190.40
MIRAMONTES					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
PERSI					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,338.00
RUBIO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	125.00
SERRANO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
WOOD	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					-	200.00	-	-	-	-	-	200.00	255.00
YU					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	208.41
MEMBER SERVICES Total					-	650.00	-	-	-	-	-	650.00	8,910.26
BARKER	5/15/20	GFOA SEC Statement on COVID-19 Disclosure	Online	Training	-	35.00	-	-	-	-	-	35.00	-
	12/3/20	GFOA Annual Governmental GAAP Update	Online	Training	-	170.00	-	-	-	-	-	170.00	-
	Varies	CalCPA Continuing Education	Online	Training	-	1,385.00	-	-	-	-	-	1,385.00	-
Sub Total					-	1,590.00	-	-	-	-	-	1,590.00	632.00
BOWMAN	2/18/20	SBCERA Meeting	San Bernardino, CA	Meeting	52.67	-	34.98	-	-	-	-	87.65	-
	3/5/20	GFOA Developing an RFP for an ERP System	Online	Training	-	85.00	-	-	-	-	-	85.00	-
	10/16-10/30/20	P2F2 Full Virtual Conference	Online	Conference	-	500.00	-	-	-	-	-	500.00	-
	11/3/20	Excel 2016 Tables, PivotTables & Conditional Formatting	Online	Training	-	126.75	-	-	-	-	-	126.75	-
	11/20/20	Excel 2016 - Data Analysis with Pivot Tables	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	12/3/20	GFOA Annual Governmental GAAP Update	Online	Training	-	170.00	-	-	-	-	-	170.00	-
Sub Total					52.67	1,073.50	34.98	-	-	-	-	1,161.15	1,910.43
DAVEY	11/4-11/6/20	CALAPRS Intermediate Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					-	400.00	-	-	-	-	-	400.00	250.00
DURIGON	7/27/20	Excel 2016 - Data Analysis with Pivot Tables	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Online	Training	-	200.00	-	-	-	-	-	200.00	-
Sub Total					-	391.75	-	-	-	-	-	391.75	2,174.96
GUERRERO	10/30/20	Excel 2016 - Part 2	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	11/3/20	Excel 2016 Tables, PivotTables & Conditional Formatting	Online	Training	-	126.75	-	-	-	-	-	126.75	-
	11/10/20	Excel 2016 - Part 3	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	11/20/20	Excel 2016 - Data Analysis with Pivot Tables	Online	Training	-	191.75	-	-	-	-	-	191.75	-
Sub Total					-	702.00	-	-	-	-	-	702.00	4,036.66
KANG	11/2/20	Excel 2016 - Part 2	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	11/3/20	Excel 2016 Tables, PivotTables & Conditional Formatting	Online	Training	-	126.75	-	-	-	-	-	126.75	-
	11/5/20	Excel 2016/2019 - Data Analysis with Power Pivot	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	11/10/20	Excel 2016 - Part 3	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	12/3/20	GFOA Annual Governmental GAAP Update	Online	Training	-	170.00	-	-	-	-	-	170.00	-
Sub Total					-	872.00	-	-	-	-	-	872.00	965.54
REYES	5/15/20	GFOA SEC Statement on COVID-19 Disclosure	Online	Training	-	35.00	-	-	-	-	-	35.00	-
	9/16/20	CALAPRS Accountants Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
	11/2/20	Excel 2016 - Part 2	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	11/3/20	Excel 2016 Tables, PivotTables & Conditional Formatting	Online	Training	-	126.75	-	-	-	-	-	126.75	-
	11/10/20	Excel 2016 - Part 3	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	11/20/20	Excel 2016 - Data Analysis with Pivot Tables	Online	Training	-	191.75	-	-	-	-	-	191.75	-
	12/3/20	GFOA Annual Governmental GAAP Update	Online	Training	-	170.00	-	-	-	-	-	170.00	-
Sub Total					-	957.00	-	-	-	-	-	957.00	642.00
FINANCE Total					52.67	5,986.25	34.98	-	-	-	-	6,073.90	10,611.59

01-19-2021 REGULAR BOARD MEETING - R-10 Fourth Quarter 2020 Travel and Training Expense Report

TRAVEL AND TRAINING EXPENSE REPORT
Fourth QUARTER 2020
Submitted Through December 31 , 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
ACUNA	9/29-12/8/20	IEA Disability Management Implementation & Sustainability	Online	Training	-	599.00	-	-	-	-	-	599.00	-
Sub Total						599.00						599.00	610.52
CORTEZ	9/29-12/8/20	IEA Disability Management Implementation & Sustainability	Online	Training	-	599.00	-	-	-	-	-	599.00	-
	11/20/20	CALAPRS Course in Retirement Disability Administration	Online	Training	-	100.00	-	-	-	-	-	100.00	-
Sub Total						699.00						699.00	250.00
DISABILITY Total						1,298.00						1,298.00	860.52
D'AIELLO						-	-	-	-	-	-	-	-
Sub Total													149.00
DOEZIE	8/27/20	PRIMA Risk Conference 2020	Online	Conference	-	375.00	-	-	-	-	-	375.00	-
Sub Total						375.00						375.00	4,404.82
DURRAH	4/16/20	Adobe InDesign	Online	Training	-	513.20	-	-	-	-	-	513.20	-
Sub Total						513.20						513.20	3,111.97
GUNSOLLEY	5/18-5/21/20	UCLA Multidimensional Leaders' Institute	Los Angeles, CA	Training	-	8,500.00	-	-	-	-	-	8,500.00	-
Sub Total						8,500.00						8,500.00	1,866.92
HOCKLESS						-	-	-	-	-	-	-	-
Sub Total													2,549.65
WOZNIUK						-	-	-	-	-	-	-	-
Sub Total													312.00
ADMINISTRATION Total						9,388.20						9,388.20	12,394.36
JOHNSON						-	-	-	-	-	-	-	-
Sub Total													4,074.55
LARA						-	-	-	-	-	-	-	-
Sub Total													7,828.87
NANDI						-	-	-	-	-	-	-	-
Sub Total													250.00
TAKIMOTO						-	-	-	-	-	-	-	-
Sub Total													4,008.03
I.T. DEPARTMENT TRAINING	Subscription	TEKsystems - Skillsoft	Online	Training	-	19,305.42	-	-	-	-	-	19,305.42	-
Sub Total						19,305.42						19,305.42	-
IT Total						19,305.42						19,305.42	16,161.45
ADVIENTO	1/28-1/31/20	CSFMO 2020	Anaheim, CA	Conference	32.20	735.00	-	-	-	45.00	-	812.20	-
	10/16-10/30/20	P2F2 Full Virtual Conference	Online	Conference	-	525.00	-	-	-	-	-	525.00	-
	Varies	CPA Continuing Education	Online	Training	-	2,419.00	-	-	-	-	-	2,419.00	-
Sub Total					32.20	3,679.00				45.00		3,756.20	2,123.88
KIM	10/16-10/30/20	P2F2 Full Virtual Conference	Online	Conference	-	525.00	-	-	-	-	-	525.00	-
	11/1-11/4/20	IIA's 2020 International Conference	Online	Conference	-	695.00	-	-	-	-	-	695.00	-
Sub Total						1,220.00						1,220.00	6,535.86
INTERNAL AUDIT Total						32.20				45.00		4,976.20	8,659.74
EAKIN	6/1-6/4/20	Gartner Security & Risk Management Summit (1)	National Harbor, MD	Conference	-	-	-	665.40	-	-	-	665.40	-
	8/24-8/28/20	CCSP Boot Camp	Online	Training	-	1,795.00	-	-	-	-	-	1,795.00	-
	10/30/20	CALAPRS Information Technology Round Table	Online	Training	-	50.00	-	-	-	-	-	50.00	-
Sub Total						1,845.00		665.40				2,510.40	16,967.21
GOSSARD	6/1-6/4/20	Gartner Security & Risk Management Summit (1)	National Harbor, MD	Conference	-	-	-	760.40	-	-	-	760.40	-
	8/24-8/28/20	CCSP Boot Camp	Online	Training	-	1,795.00	-	-	-	-	-	1,795.00	-
Sub Total						1,795.00		760.40				2,555.40	16,481.52
INFORMATION SECURITY Total						3,640.00		1,425.80				5,065.80	33,448.73
Total					1,089.07	99,526.87	1,513.26	8,711.81	15,213.45	2,143.11		88,197.57	236,884.57

Footnotes:
 * Prior year totals only presented for 2020 active staff & Board members. Totals do not include online training.
 ** Excludes non-training expenses such as meetings, mileage, strategic planning and tuition reimbursement.
 1 Trip cancelled and a credit has been placed on the airlines account which will be applied towards a future trip.
 2 Trip cancelled. Expenses do not qualify for full refund due to cancellation outside policy.



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: **OCERS TRUSTEE EDUCATION SUMMARY REPORT**

Written Report

Effective January 1, 2013, Trustees are required to complete a minimum of 24 hours of Trustee Education within the first two (2) years assuming office and for every subsequent 2-year period in which the Trustee serves on the Board.

To date, all Trustees are on track to meet the education requirement. Trustees that commenced membership on the Board after the initial tracking period will reset their two-year period on anniversary date of assumed Board membership.

Staff annually prepares a spreadsheet for each Trustee to track their education credits. The following is the current hourly total we have on file for each Trustee for their current measuring period:

Shawn Dewane – appointed 2017, current term 01/01/2020 – 12/31/2022

For Current Education Measuring Period 1/19-12/20: **48.5 hours**

Frank Eley – elected 2016, current term 01/01/2020 – 12/31/2022

For Current Education Measuring Period 1/19-12/20: **24.25 hours**

Shari Freidenrich – elected Nov. 2010, took office in Jan. 2011, current term [Ex-Officio Member]

For Current Education Measuring Period 1/19-12/20: **34.28 hours**

Roger Hilton – elected June 2012, current term [07/01/2018-06/30/2021]

For Current Education Measuring Period 1/20-6/21: **71.05 hours**

Wayne Lindholm – appointed Jan. 2010, current term 01/1/2019 – 12/31/2021

For Current Education Measuring Period 1/20-12/21: **9.5 hours**

Charles Packard – appointed Dec. 2011, current term 1/01/2020 – 12/31/2022

For Current Education Measuring Period 1/20-12/21: **9.5 hours**

Chris Prevatt – elected Fall 2012, current term 01/01/2019 – 12/31/2021

For Current Education Measuring Period 1/20-12/21: **45.1 hours**

Jeremy Vallone – elected 2018, current term [7/01/18-6/30/21]

For Current Education Measuring Period 1/20-6/21: **4.5 hours**

Adele Tagaloa – elected 2020, current term 01/01/2020 – 12/31/2022

For Current Education Measuring Period 1/20-12/21: **71 hours**

Arthur Hidalgo – elected 2019, current term 01/01/2020 – 12/31/2022

For Current Education Measuring Period 1/20-12/21: **12 hours**

Attachments:

1. Board Members individual annual Education Report for current two year measuring period.
2. Trustee Education Policy.

Submitted by:



CH - Approved

Cynthia Hockless
Director of Human Resources



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 so as 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 2-year period in which the Trustee serves on the Board (Gov. Code § 31522.8).
3. 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. 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. To that end, each Trustee is encouraged to regularly participate in those educational opportunities that will enable competent discharge of the obligations of that position and meet the statutory requirements for continuing education.

Policy Objectives

6. The objective of this policy is to ensure that all Trustees have adequate opportunity to acquire the knowledge they need to carry out their fiduciary duties.

Policy Guidelines

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



OCERS Board Policy Trustee Education Policy

- h. Pension law;
 - i. Organizational structure, methods, and practices;
 - j. Budgeting;
 - k. Governance and fiduciary duty; and
 - l. Ethics.
9. 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, but is not limited to:
- a. Laws relating to personal financial gain by public servants, including, but not limited to, 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, but not limited to, financial interest disclosure requirements and open government laws.
 - d. Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.
10. Educational tools for trustees include, but are not limited to:
- a. External conferences, seminars, workshops, roundtables, courses or similar sessions (henceforth referred to 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. 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, and include details of such in Board meeting information packages for Trustee consideration. Trustees are encouraged to suggest educational opportunities that may provide value to the Board of Retirement.
12. 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;
 - b. The extent to which the opportunity meets the requirements of this policy; and



OCERS Board Policy Trustee Education Policy

- c. The cost-effectiveness of the program in light of travel, lodging and related expenses.
13. Beginning January 1, 2013, Trustees will acquire a minimum of 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. Trustees will endeavor to complete 24 hours of education in the remainder of the first and second calendar year after appointment. For trustees who are appointed later in November or December, the first education year will commence on January 1 of the subsequent calendar year.
 - 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. OCERS staff will track hours on an odd and even year basis with trustees grouped according to the year of term commencement.
 - d. For example, if a trustee assumes office on April 1, 2016, he or she will be expected to complete 24 hours of education by December 31, 2017. Subsequent to January 1, 2018, his or her education will be tracked on a rolling basis with completion of the 24 hour requirement on December 31, 2019, 2021, 2023, etc.
 14. Trustees will attempt to meet the following minimum goals:
 - a. To secure, over time, a useful level of understanding in each of the topic areas listed in paragraph 8 above;
 - b. To attend at least one conference annually. In accordance with a. above, 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. The Education Forum;
 - iii. Individual sessions at regular Board meetings; and
 - iv. Workshops available to Board and staff members.
 15. 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

16. 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.
17. In furtherance of this policy, the Chief Executive Officer shall have discretionary authority to approve staff travel as necessary to carry out the administrative responsibilities of the OCERS,



OCERS Board Policy Trustee Education Policy

such as attendance at legislative meetings or hearings, conducting on-site visits as part of due diligence evaluation of existing and proposed service providers, participating in continuing education programs, and other duties as directed.

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

Harassment Prevention Training

19. As an employer of over 5 employees, OCERS is required to 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.
20. Trustees are considered "supervisory employees" for the purposes of the statute since Trustees may influence the terms and conditions of employment for OCERS employees.
21. The Chief Executive Officer working with the Legal Department and outside vendors will schedule appropriate training for Trustees every two years.

Orientation Program

22. 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 Board of Retirement and committee deliberations, and effectively carry out their fiduciary duties as soon as possible after joining the Board.
23. Prior to a Trustee's first official meeting with the Board of Retirement, he or she will endeavor to attend a Board meeting or a standing committee meeting in the role of an observer.
24. Within 30 days of a trustee's election or appointment to the Board, the Chair will designate an incumbent member of the Board to provide the new Trustee an orientation to current Board governance practices.
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 Board's fiduciary counsel on their fiduciary duties, conflict of interest guidelines, the County Employees Retirement Law of 1937, Proposition 162, The Brown Act, and other pertinent legislation; and



OCERS Board Policy Trustee Education Policy

- 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.
- 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.
- 27. The Chief Executive Officer will review, and if necessary, update all orientation material. It is the responsibility of Trustees to maintain 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.

Policy Review

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

Policy History

- 29. This policy was adopted by the Board of Retirement on February 19, 2002.
- 30. The policy was revised on May 16, 2005, March 24, 2008, June 18, 2012, November 19, 2012, July 20, 2015, and December 19, 2016, September 25, 2019

Secretary's Certificate

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

10/21/19

Date

Steve Delaney
Secretary of the Board



OCERS Board Policy

APPENDIX 1

Trustee Reference Manual

A Trustee Reference Manual will include the following materials:

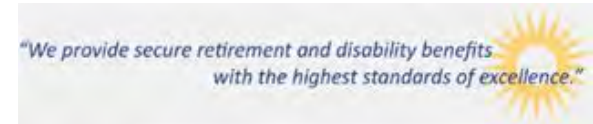
- a. OCERS Board Handbook;
- b. Relevant sections of the *County Employees Retirement Law of 1937*;
- c. The Brown Act and Proposition 162;
- d. Most recent plan description and member handbook;
- e. Copies of Board policies;
- f. Most recent Annual Report;
- g. Most recent actuarial valuation and financial statements;
- h. Most recent actuarial experience study;
- i. Most recent asset/liability study;
- j. Most recent investment performance report;
- k. Most recent 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.



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Dewane, Shawn
 Date Range: 1/1/2019 - 12/31/2020



BOARD							
Dewane, Shawn (30 Records)						Total Hours:	48.50
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
March 2019 CALAPRS Advanced Principles of Pension Management for Trustees	Conference	CALAPRS - UCLA Luskin Conference Center	Completed	03/27/2019	03/29/2019	20.00	
Description: March 27 -29, 2019 CALAPRS Advanced Principles of Pension Management for Trustees held at the UCLA Luskin Conference Center in Los Angeles, CA.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	1.50	
Description: OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP 							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	1.00	
Description: 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019	1.00	
Description: 1 hour training during Strategic Planning Session (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	1.00	
Description: 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019	1.00	
Description: 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market.							



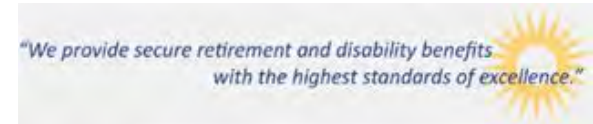
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/31/2020



Title	Type	Institution	Status	Due Date	Completion Date	Hours
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019	1.00
Description: 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.						
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50
Description: OCERS Strategic Planning Workshop						
REASONABLE ACCOMMODATION AND DISABILITY RETIREMENT TRAINING – COUNTY OF ORANGE AND OCERS COLLABORATION	Continuing Education	OCERS	Completed	04/15/2019	04/15/2019	1.00
Description: OCERS Regular Board Meeting - Presentation by Azucena M. Coronel, CPDM, Manager, Integrated Disability and Absence Management, County Executive Office, Risk Management						
CITY OF SAN DIEGO EMPLOYEES RETIREMENT SYSTEM - OVERVIEW	Mandatory Training	OCERS	Completed	08/19/2019	08/19/2019	1.00
Description: OCERS Regular Board Meeting - Presentation by Gregg Rademacher, Chief Executive Officer, SDCERS						
INVESTMENT MARKETS DISCUSSION	Mandatory Training	OCERS	Completed	06/24/2020	06/24/2020	1.00
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone						
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma						
Strategic Planning Workshop -	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00



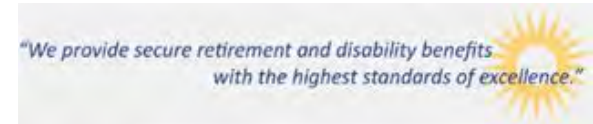
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/31/2020



Cybersecurity Training						
Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
SONOMA BUSINESS CONTINUITY AND DISASTER RECOVERY	Continuing Education	OCERS	Completed	03/18/2019	03/18/2019	0.75
Description: OCERS Regular Board Meeting - Presentation by Julie Wyne, CEO, Sonoma County Employees Retirement Association						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
STRATEGIC PLANNING WORKSHOP	Continuing Education	OCERS	Completed	09/18/2019	09/18/2019	0.75
Description: STRATEGIC PLANNING WORKSHOP Actuarial Issues: DROP Explained						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Sexual Harrassment Prevention for Supervisors	Mandatory Training	Target Solutions	Completed	09/21/2019	09/21/2019	2.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
PCG Municipal Course	Continuing Education		Completed	09/18/2020	09/18/2020	1.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
2020 Investment Advisory CE	Continuing Education		Completed	09/11/2020	09/11/2020	1.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
2020 RJSF Firm and Regulatory Requirements / Information, Privacy	Continuing Education		Completed	09/11/2020	09/11/2020	0.25



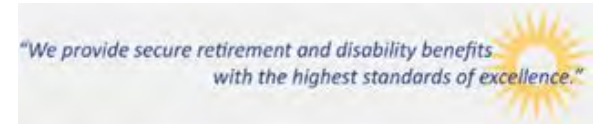
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/31/2020



Title	Type	Institution	Status	Due Date	Completion Date	Hours
Description:						
2020 RJFS Firm & Regulatory Requirements Fraud, Identity Theft, & Anti Bribery	Continuing Education		Completed	09/11/2020	09/11/2020	0.25
Description:						
2020 Firm & Regulatory Requirements: Conflicts of Interest	Continuing Education		Completed	09/11/2020	09/11/2020	0.50
Description:						
2020 Variable Annuity CE	Continuing Education		Completed	09/11/2020	09/11/2020	1.00
Description:						
2020 RJFS Supervision CE	Continuing Education		Completed	09/11/2020	09/11/2020	1.00
Description:						
2020 Senior & At Risk Clients CE	Continuing Education		Completed	09/11/2020	09/11/2020	1.00
Description:						
2020 Anti Money Laundering and Financial Crimes Management	Continuing Education		Completed	09/11/2020	09/11/2020	1.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours



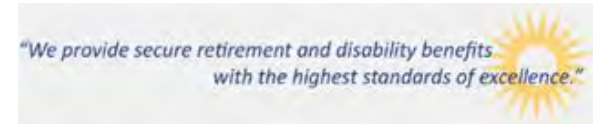
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Dewane, Shawn

Date Range: 1/1/2019 - 12/31/2020



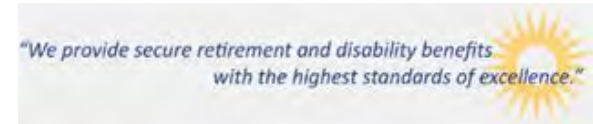
2020 RJFS Compliance CE	Continuing Education		Completed	09/10/2020	09/10/2020	1.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
2020 RJFS Annual Compliance Interview: Registered Principals	Continuing Education		Completed	09/10/2020	09/10/2020	1.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Client Best Interest: Understanding Your Role & Regulatory Obligations	Continuing Education		Completed	09/10/2020	09/10/2020	1.00
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
2020 Fair Credit Reporting Acts (FCRA) Attestation - State of California	Continuing Education		Completed	09/10/2020	09/10/2020	1.00
Description:						



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Eley, Frank
 Date Range: 1/1/2019 - 12/31/2020



BOARD							
Eley, Frank (23 Records)						Total Hours:	24.25
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	1.50	
Description: OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP 							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019	2.50	
Description: Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	1.00	
Description: 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019	1.00	
Description: 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	1.00	
Description: 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
RENEWABLE ENERGY MARKET UPDATE	Continuing Education	TorreyCove	Completed	09/18/2019	09/18/2019	1.00	
Description: 1 hour training during OCERS Strategic Planning Workshop (day 1) on Renewable Energy Market Update presented by Nic DiLoretta of TorreyCove							



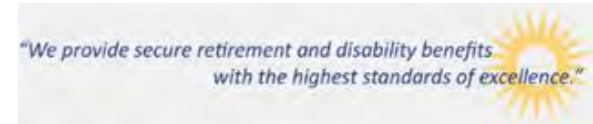
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Eley, Frank

Date Range: 1/1/2019 - 12/31/2020



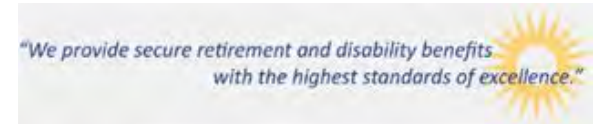
Title	Type	Institution	Status	Due Date	Completion Date	Hours
CHANGING SPACES: THE EVOLVING LANDSCAPE OF REAL ESTATE	Continuing Education	Townsend Group	Completed	09/19/2019	09/19/2019	1.00
Description: 1 hour training during OCERS Strategic Planning Workshop (day 2) on Changing Spaces: The Evolving Landscape of Real Estate by Jennifer Stevens of Townsend Group.						
PRICING EXTERNALITIES: THE INTERSECTION OF RISK ASSETS AND ESG FACTORS	Continuing Education	OCERS with AEW, Longfellow and Acadian Consultants	Completed	09/18/2019	09/18/2019	1.00
Description: 1 hour training during OCERS Strategic Planning Workshop (day 1) on Pricing Externalities: The Intersection of Risk Asset and ESG Factors.						
THE ROLE OF TECHNOLOGY, PEOPLE AND DATA IN INVESTMENT MANAGEMENT	Continuing Education	Two Sigma	Completed	09/19/2019	09/19/2019	1.00
Description: 1 hour training during OCERS Strategic Planning Workshop (day 2) on The Role of Technology, People and Data in Investment Management by Mike Nigro of Two Sigma.						
THE STATE OF THE LOAN MARKET	Continuing Education	Meketa Investment Group	Completed	09/19/2019	09/19/2019	1.00
Description: 1 hour training during OCERS Strategic Planning Workshop (day 2) on The State of the Loan Market by Steve McCourt and Mary Bates of Meketa Investment Group.						
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50
Description: OCERS Strategic Planning Workshop						
REASONABLE ACCOMMODATION AND DISABILITY RETIREMENT TRAINING – COUNTY OF ORANGE AND OCERS COLLABORATION	Continuing Education	OCERS	Completed	04/15/2019	04/15/2019	1.00
Description: OCERS Board Meeting - Presentation by Azucena M. Coronel, CPDM, Manager, Integrated Disability and Absence Management, County Executive Office, Risk Management						
Title	Type	Institution	Status	Due Date	Completion Date	Hours



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Eley, Frank
 Date Range: 1/1/2019 - 12/31/2020



CITY OF SAN DIEGO EMPLOYEES RETIREMENT SYSTEM - OVERVIEW	Mandatory Training	OCERS	Completed	08/19/2019	08/19/2019	1.00
Description: OCERS Regular Board Meeting - Presentation by Gregg Rademacher, Chief Executive Officer, SDCERS						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
SONOMA BUSINESS CONTINUITY AND DISASTER RECOVERY	Continuing Education	OCERS	Completed	03/18/2019	03/18/2019	0.75
Description: OCERS Regular Board Meeting - Presentation by Julie Wyne, CEO, Sonoma County Employees Retirement Association						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00
Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
CYBER SECURITY – CLOUD COMPUTING	Continuing Education	OCERS	Completed	07/11/2019	07/11/2019	0.25
Description: OCERS Regular Board Meeting - Presentation by Matt Eakin, Director of Cyber Security, OCERS						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
STRATEGIC PLANNING WORKSHOP	Continuing Education	OCERS	Completed	09/18/2019	09/18/2019	0.75
Description: STRATEGIC PLANNING WORKSHOP Actuarial Issues: DROP Explained						
Title	Type	Institution	Status	Due Date	Completion Date	Hours



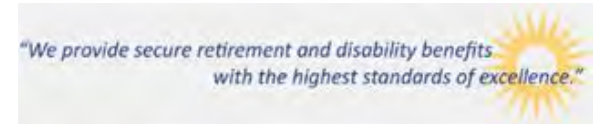
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Eley, Frank

Date Range: 1/1/2019 - 12/31/2020



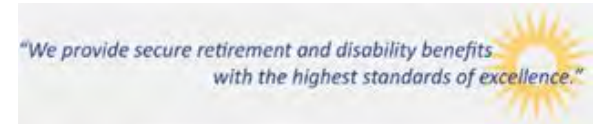
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
P&I Conferences; Private Markets - Where are the Opportunities and Risks in the Current Environment?	Continuing Education	P&I Conferences; Private Markets	Completed	12/31/2020	12/31/2020	1.00
Description: Online Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
P&I Conferences; Private Markets - The Nuts and Bolts of Selecting a Manager in Private Investments	Continuing Education	P&I Conferences; Private Markets	Completed	12/31/2020	12/31/2020	1.00
Description: Online Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
P&I Conferences; Private Markets - Multi-Strategy Private Credit- Is Direct Lending Still Attractive?	Continuing Education	P&I Conferences; Private Markets	Completed	12/31/2020	12/31/2020	1.00
Description: Online Training						



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Freidenrich, Shari
 Date Range: 1/1/2019 - 12/31/2020



BOARD						Total Hours:	34.28
Freidenrich, Shari (17 Records)							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education	Mandatory Training	OCERS	Completed	04/15/2019	04/15/2019	1.50	
Description: OCERS April 15, 2019 Regular Board Meeting – Annual Conflicts of Interest Education Presentation by Gina Ratto, General Counsel, OCERS and Harvey Leiderman, ReedSmith, LLP 							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Trustee Education: "Crossing the line: Harassment in the workplace"	Mandatory Training	OCERS via ReedSmith	Completed	11/18/2019	11/18/2019	2.50	
Description: Mandatory 2 hour sexual harassment prevention training designed to meet the requirements of Government Code section 12950.1. Training provided by Michele Gehrke of ReedSmith.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
DIRECT LENDING & LEVERED LOANS EDUCATION	Continuing Education	Owl Rock Capital Partners LP at OCERS	Completed	04/23/2019	04/23/2019	1.00	
Description: 1 hour training during OCERS April 23, 2019 Investment Committee Meeting on Direct Lending & Levered Loans Education by Douglas I. Ostrover and James Clarke of Owl Rock Capital Partners LP.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
INFRASTRUCTURE EDUCATION SESSION	Continuing Education	Global Infrastructure Partners at OCERS	Completed	06/26/2019	06/26/2019	1.00	
Description: 1 hour training during OCERS June 26, 2019 Investment Committee Meeting on Infrastructure Education Session by Matthew Harris of Global Infrastructure Partners.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
MACRO AND ASSET ALLOCATION OUTLOOK	Continuing Education	JP Morgan at OCERS	Completed	02/27/2019	02/27/2019	1.00	
Description: 1 hour training during OCERS February 27, 2019 Investment Committee Meeting on Macro and Asset Allocation Outlook by Benjamin R. Mandel, PhD, Global Strategist, Multi-Asset Solution with JP Morgan.							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
CALAPRS Trustees Virtual Round Table	Continuing Education	CALAPRS Trustees Virtual Round Table	Completed	10/23/2020	10/23/2020	5.00	
Description: CALAPRS Trustees Virtual Round Table - Online							



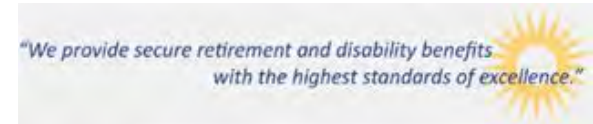
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Freidenrich, Shari

Date Range: 1/1/2019 - 12/31/2020



Title	Type	Institution	Status	Due Date	Completion Date	Hours
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50
Description: OCERS Strategic Planning Workshop						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
REASONABLE ACCOMMODATION AND DISABILITY RETIREMENT TRAINING – COUNTY OF ORANGE AND OCERS COLLABORATION	Continuing Education	OCERS	Completed	04/15/2019	04/15/2019	1.00
Description: OCERS Regular Board Meeting - Presentation by Azucena M. Coronel, CPDM, Manager, Integrated Disability and Absence Management, County Executive Office, Risk Management						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
CITY OF SAN DIEGO EMPLOYEES RETIREMENT SYSTEM - OVERVIEW	Continuing Education	OCERS	Completed	08/19/2019	08/19/2019	1.00
Description: OCERS Regular Board Meeting - Presentation by Gregg Rademacher, Chief Executive Officer, SDCERS						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Strategic Planning Workshop - Cybersecurity Training	Mandatory Training	OCERS	Completed	09/10/2020	09/10/2020	1.00
Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
CYBER SECURITY – CLOUD COMPUTING	Continuing Education	OCERS	Completed	07/11/2019	07/11/2019	0.25



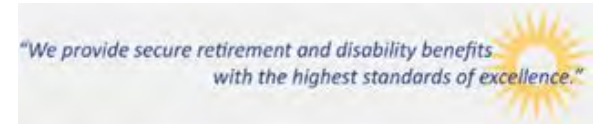
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Freidenrich, Shari

Date Range: 1/1/2019 - 12/31/2020



Description: OCERS Regular Board Meeting - Presentation by Matt Eakin, Director of Cyber Security, OCERS						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
SONOMA BUSINESS CONTINUITY AND DISASTER RECOVERY	Continuing Education	OCERS	Completed	03/18/2019	03/18/2019	0.75
Description: OCERS Regular Board Meeting - Presentation by Julie Wyne, CEO, Sonoma County Employees Retirement Association						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
California Association of County Treasurers and Tax Collectors Education Conference	Mandatory Training	California Association of County Treasurers and Tax Collectors	Completed	10/09/2020	10/09/2020	12.10
Description: Continuing Professional Education Hours						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Treasury Committee Webinar - Managing Treasury Pool Cash Flows Amid COVID 19 Uncertainties	Mandatory Training	California Association of County Treasurers and Tax Collectors	Completed	08/27/2020	08/27/2020	1.68
Description:						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						



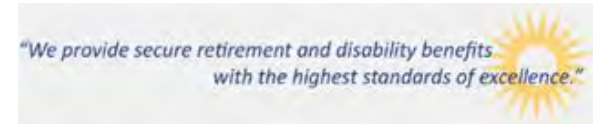
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hidalgo, Arthur

Date Range: 1/1/2020 - 12/31/2021



BOARD							
Hidalgo, Arthur (8 Records)						Total Hours:	12.00
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Ethics Training	Continuing Education	SACRS	Completed	05/23/2020	05/23/2020	2.00	
Description: SACRS Online Training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Sexual Harrassment Prevention Training	Continuing Education	SACRS	Completed	07/15/2020	07/15/2020	2.00	
Description: SACRS online training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
CALAPRS Trustee Roundtable	Continuing Education	CALAPRS Trustee Roundtable	Completed	10/23/2020	10/23/2020	2.50	
Description: CALAPRS Trustee Roundtable							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50	
Description: OCERS Strategic Planning Workshop							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00	
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00	
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00	



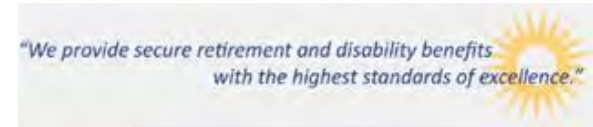
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hidalgo, Arthur

Date Range: 1/1/2020 - 12/31/2021



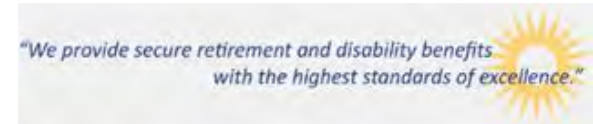
Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Hilton, Roger
 Date Range: 1/1/2020 - 6/1/2021



BOARD							
Hilton, Roger (12 Records)						Total Hours:	71.05
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
NCPERS Legislative Conference	Continuing Education	NCPERS Legislative Conference	Completed	01/26/2020	01/28/2020	16.30	
Description: Washington D.C.							
NASRA Winter Conference	Continuing Education	NASRA Winter Conference	Completed	02/29/2020	03/02/2020	13.00	
Description: Washinton D.C.							
CALAPRS General Assembly	Continuing Education	CALAPRS General Assembly	Completed	03/07/2020	03/10/2020	17.00	
Description: Palm Springs, CA							
NIRS Conference	Continuing Education	NIRS Conference	Completed	03/02/2020	03/04/2020	6.00	
Description: Washington D.C.							
Ethics Training	Mandatory Training	CALAPRS	Completed	03/08/2020	03/08/2020	2.00	
Description: CALAPRS General Assembly							
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50	
Description: OCERS Strategic Planning Workshop							
SACRS Fall Conference	Continuing Education	SACRS	Completed	11/13/2020	11/13/2020	9.25	



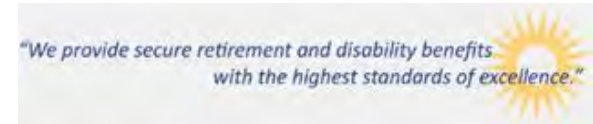
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Hilton, Roger

Date Range: 1/1/2020 - 6/1/2021



Description: SACRS Fall Conference						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Sexual Harrassment Training	Mandatory Training	SACRS	Completed	11/13/2020	11/13/2020	2.00
Description: SACRS Fall Conference - Sexual Harrassment Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
INVESTMENT MARKETS DISCUSSION	Mandatory Training	OCERS	Completed	06/24/2020	06/24/2020	1.00
Description: OCERS Regular Board Meeting - Discussion by Hamilton E. James, Blackstone						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
THE AFTER CORONA WORLD	Mandatory Training	OCERS	Completed	07/29/2020	07/29/2020	1.00
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00
Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						



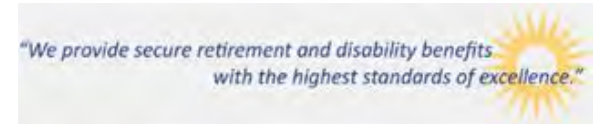
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Lindholm, Wayne

Date Range: 1/1/2020 - 12/31/2021



BOARD							
Lindholm, Wayne (6 Records)						Total Hours:	9.50
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50	
Description: OCERS Strategic Planning Workshop							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00	
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00	
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00	
Description: Strategic Planning Workshop - Cybersecurity Training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Opal Conference	Continuing Education	Opal	Completed	12/02/2020	12/02/2020	4.00	
Description: Global Alternative Investment Outlook Non-Correlated/Niche Alternative Fund Strategies Foreclosure & Eviction Crisis Global Private Equity & Venture Capital Market Outlook Geopolitical Update & Interviews							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00	
Description: OCERS Investment Committee Meeting							



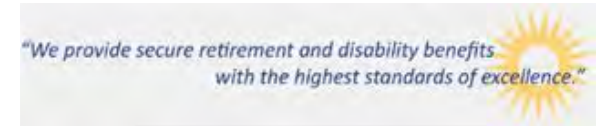
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Lindholm, Wayne

Date Range: 1/1/2020 - 12/31/2021





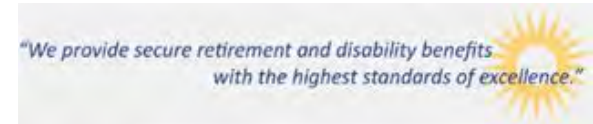
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Packard, Charles

Date Range: 1/1/2020 - 12/31/2021



BOARD							
Packard, Charles (7 Records)						Total Hours:	9.50
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Sexual Harrassment Prevention Training	Continuing Education	SACRS	Completed	07/15/2020	07/15/2020	2.00	
Description: SACRS online training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Ethics Training	Continuing Education	SACRS	Completed	05/23/2020	05/23/2020	2.00	
Description: SACRS online training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50	
Description: OCERS Strategic Planning Workshop							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00	
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00	
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00	
Description: Strategic Planning Workshop - Cybersecurity Training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00	



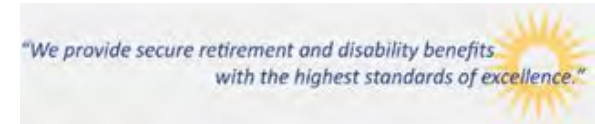
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Packard, Charles

Date Range: 1/1/2020 - 12/31/2021



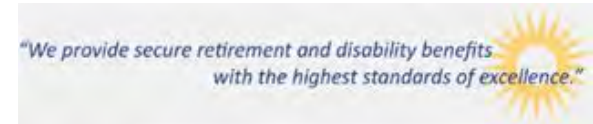
Description: OCERS Investment Committee Meeting



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Prevatt, Chris
 Date Range: 1/1/2020 - 12/31/2021



BOARD							
Prevatt, Chris (8 Records)						Total Hours:	45.10
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
NASRA Annual Conference	Continuing Education	NASRA	Completed	08/12/2020	08/12/2020	13.50	
Description: NASRA Annual Conference - August 5-12, 2020							
Pension Bridge Annual Meeting 2020	Continuing Education	Pension Bridge	Completed	08/28/2020	08/28/2020	17.10	
Description: Pension Bridge Annual Meeting 2020 - Online							
SACRS Fall Conference 2020	Continuing Education	SACRS	Completed	11/13/2020	11/13/2020	9.00	
Description: SACRS Fall Conference 2020							
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50	
Description: OCERS Strategic Planning Workshop							
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00	
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone							
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00	
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma							
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00	



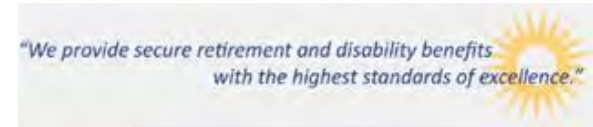
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Prevatt, Chris

Date Range: 1/1/2020 - 12/31/2021



Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						



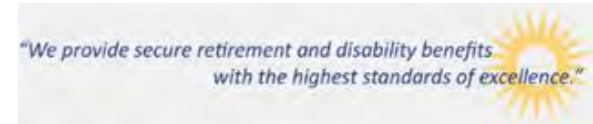
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Tagaloo, Adele

Date Range: 1/1/2020 - 12/31/2021



BOARD							
Tagaloo, Adele (18 Records)						Total Hours:	71.00
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
2020 Pension Bridge Annual - Complimentary Webinar	Improvement Training	Pension Bridge	Completed	04/15/2020	04/15/2020	3.00	
Description: 2020 Pension Bridge Annual - Complimentary Webinar							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Sexual Harassment Prevention Training	Continuing Education	SACRS	Completed	07/15/2020	07/15/2020	2.00	
Description: SACRS Online Training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Litigation 101 & Current Cases	Continuing Education	SACRS	Completed	05/22/2020	05/22/2020	1.50	
Description: SACRS online training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Has the Coronavirus Pandemic Changed the Outlook for ESG Investing?	Continuing Education	SACRS	Completed	05/19/2020	05/19/2020	1.50	
Description: SACRS online training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
The Case for Investing with Small and Emerging Managers	Continuing Education	SACRS	Completed	05/21/2020	05/21/2020	1.50	
Description: SACRS online training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Private Market Investing in a Late-Cycle Market or Private Market Investing in the 8th Inning	Continuing Education	SACRS	Completed	05/20/2020	05/20/2020	1.50	
Description: SACRS online training							



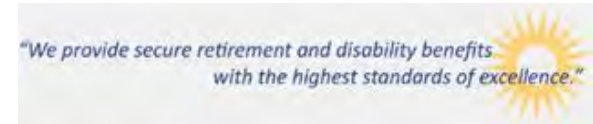
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Tagaloa, Adele

Date Range: 1/1/2020 - 12/31/2021



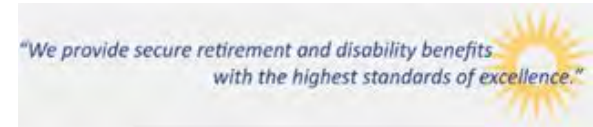
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Cash Flows & Investment Management in the Time of COVID-19	Continuing Education	SACRS	Completed	05/15/2020	05/15/2020	1.50
Description: SACRS online training						
Private Markets Today Vs. The Global Financial Crisis	Continuing Education	SACRS	Completed	05/14/2020	05/14/2020	1.50
Description: SACRS online training						
SACRS/UC Berkeley 2020 Program	Continuing Education	SACRS	Completed	08/13/2020	08/13/2020	18.00
Description: SACRS/UC Berkeley 2020 Program concluding on 8/13/2020 at the Webinar						
CALAPRS General Assembly	Continuing Education	CALAPRS General Assembly	Completed	03/10/2020	03/10/2020	17.00
Description: CALAPRS General Assembly						
CALAPRS Principles for Trustees 2020 Virtual Program	Continuing Education	CALAPRS	Completed	08/18/2020	08/18/2020	6.50
Description: CALAPRS Principles for Trustees 2020 Virtual Program Principles of Pension Governance for Trustees SESSION I: Fiduciary Duty and Sound Decision Making and SESSION II: Investment Policy Basics & Overseeing the Investment Program						
Ethics Training	Mandatory Training	CALAPRS	Completed	03/08/2020	03/08/2020	2.00
Description: CALAPRS General Assembly 2020						
SACRS Fall Conference 2020	Continuing Education	SACRS	Completed	11/13/2020	11/13/2020	8.00
Description: SACRS FALL Conference 2020						



Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board Employee: Tagaloa, Adele
 Date Range: 1/1/2020 - 12/31/2021



Title	Type	Institution	Status	Due Date	Completion Date	Hours
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50
Description: OCERS Strategic Planning Workshop						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
INVESTMENT MARKETS DISCUSSION	Continuing Education	OCERS	Completed	06/24/2020	06/24/2020	1.00
Description: OCERS Investment Committee Meeting - Discussion by Hamilton E. James, Blackstone						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00
Description: Strategic Planning Workshop - Cybersecurity Training						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma						
Title	Type	Institution	Status	Due Date	Completion Date	Hours
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00
Description: OCERS Investment Committee Meeting						



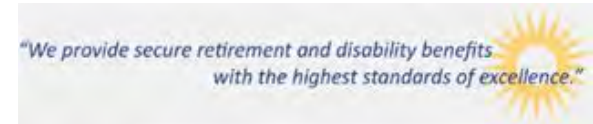
Career Development Report

This report details an individual's Training records in regards to their Career Development.

Department: Board

Employee: Vallone, Jeremy

Date Range: 1/1/2020 - 6/1/2021



BOARD							
Vallone, Jeremy (4 Records)						Total Hours:	4.50
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
OCERS Strategic Planning Workshop	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.50	
Description: OCERS Strategic Planning Workshop							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
THE AFTER CORONA WORLD	Continuing Education	OCERS	Completed	07/29/2020	07/29/2020	1.00	
Description: OCERS Investment Committee Meeting - Presentation by Ruchir Sharma							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Strategic Planning Workshop - Cybersecurity Training	Continuing Education	OCERS	Completed	09/10/2020	09/10/2020	1.00	
Description: Strategic Planning Workshop - Cybersecurity Training							
Title	Type	Institution	Status	Due Date	Completion Date	Hours	
Co-Investment Education	Continuing Education	OCERS	Completed	12/14/2020	12/14/2020	1.00	
Description: OCERS Investment Committee Meeting							



Memorandum

DATE: January 04, 2021
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: **BOARD ELECTION, SAFETY MEMBER AND ALTERNATE SAFETY MEMBER**

Written Report

Background:

On December 28, 2020, OCERS contacted the Registrar of Voters requesting them to conduct an election for the Safety Member and Alternate whose term expire on July 31, 2021. We are awaiting an official response from the Registrar of Voters with a timeline of the process. We anticipate the election will take place in May 2021.

Attachment:

Election Request Letter to the Registrar of Voters

Submitted by:



C.H. – APPROVED

Cynthia Hockless
Director of Human Resources



Active Participating Employers:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY
CHILDREN & FAMILIES
COMMISSION

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES
PUBLIC AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC
LAW LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

December 28, 2020

VIA EMAIL

Marcia Nielsen
Registrar of Voters
1300 N. Grand Avenue, Bldg #C
Santa Ana, CA 92705

Re: Election of **Safety Member and Alternate Safety Member** to the Board of Retirement for the term of office from July 01, 2021 through June 30, 2024.

Dear Ms. Nielsen:

The Orange County Employees Retirement System would like to request that the Registrar of Voters conduct an election for the positions of Safety Member and Alternate Safety Member of the Board of Retirement whose terms of office will expire on June 30, 2021.

The election should be conducted from Safety Members of the Retirement Plan. Active safety personnel consist of the following County of Orange departments and agencies:

- Orange County Sheriff
- District Attorney (Investigation)
- Orange County Fire Authority
- Probation Department - *Safety personnel from the Probation Department may serve as the alternate member provided there is no other qualified candidate from the Fire Authority. *Government Code 31520.1

These agencies also employ General Membership employees; therefore, ballots for the Safety election should be clearly identified to exclude General Members from voting.

Marcia Nielsen
Registrar of Voters
Page 2

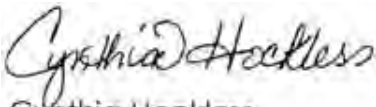
The candidate for Safety Member with the highest number of votes will be certified by the Registrar of Voters as the elected Safety Member of the Board of Retirement. The candidate from the other group (i.e., the group other than the one in which the person elected as Safety Member is employed), which has the highest number of votes of any candidate within said group, shall be certified as the Alternate Safety Member of the Board of Retirement. The terms of office of the Safety Member and Alternate Safety Member shall begin and end at the same time.

The new Board members are scheduled to assume office upon certification of election results by the Board of Supervisors.

Under separate cover, we will be sending a list of eligible voting Safety Members.

We are looking forward to working with your office on the various steps of this election process. Should you have any questions regarding this request you may contact me directly at (714) 558-6228.

Sincerely,



Cynthia Hockless
Director of Human Resources



Memorandum

DATE: January 5, 2021
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: CONTRACT STATUS FOR NAMED SERVICE PROVIDERS

Written Report

Background/Discussion

1. Performance Reviews

The following policy provisions stipulate the terms by which vendor performance reviews will be conducted:

- The Procurement & Contracting Policy (Section II.D.) specifies that vendors will be reviewed every three years. *“The performance of every contracted provider will be reviewed at least every three years.”*
- The Board of Retirement Charter (Item #21) states that an Actuarial Review is needed every five (5) years. (With coordination by the Internal Audit department.)

2. Review and Renewal of Named Service Providers

Section V.C of the Procurement & Contracting Policy notes the following:

“At least six months before the expiration of the initial term of any contract with a Named Service Provider, the CEO and the pertinent committee(s) of the Board shall assess the continued appropriateness and cost-effectiveness of the Named Service Provider in question”

3. Pursuant to OCERS policy and charter provisions, the schedule below references the Named Service Provider contracts that are up for renewal, expiration, review, or RFP:

Named Service Provider	Vendor	Contracted	Contract Expiration	Last Review Date	Next Review	RFP Start	Notes
Fiduciary Counsel	Reed Smith	4/1/2015	4/30/2021	4/18/2018	Apr-2021	Started Dec-2020	Reviewed and extend contract during April 18th, 2018. Board Meeting. Going out to RFP in January, 2021.
Financial Auditor	MGO	2/19/2016	12/31/2020	2/16/2018	Dec-2023	Jun-2021	Presented review to Audit Committee August, 2018 and 12/17/2020 to extend out one more year.
Pension Administration software provider	Vitech	2/25/2016	Evergreen. 30-day cancel	7/11/2019	Jul-2022	Feb-2023	Last review report provided to Board 7/11/2019. RFP 2022 part of large replacement project
General Investment consultant	Meketa	6/15/2018	5/31/2021	5/6/2019	Dec-2022	Nov-2021	Last review presented to Board 5/20/2019. Next review 6 months prior to contract expiration. Reviewing with Investments Dept
Consulting Actuary	Segal	8/25/2016	12/31/2022	7/11/2019	Jul-2022	May-2023	Reviewed and presenting to Board 7/11/2019. Extending 5 years
Custodian	State Street	7/1/2017	6/30/2023	11/16/2020	Jul-2023	Jan-2023	Last review reported to Board on 11/16/2020
Securities lending manager	State Street	7/1/2017	6/30/2023	11/16/2020	Jul-2023	Jan-2023	Last review reported to Board on 11/16/2020
Actuarial Auditor (Every 5 years)	Cheiron	8/1/2017	12/31/2017	12/31/2017	N/A	Feb-2022	Reviewed 2017. Report received January, 2018. Next RFP in 2022
Private Equity consultant	Aksia (TorreyCove)	4/1/2018	3/30/2021	N/A	Sep-2021	Oct-2021	Reviewing with Investments Dept
Real Estate consultant	Townsend Holdings	4/1/2018	3/30/2021	N/A	Sep-2021	Oct-2021	Reviewing with Investments Dept

Submitted by:

Jim Doezie
 Contracts, Risk and Performance Administrator



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: PRIVATE EQUITY CONSULTANT PERFORMANCE REVIEW – AKSIA LLC (AKA: TORREYCOVE)

Written Report Background/Discussion

1. Performance Review Guidelines

According to the Procurement & Contracting Policy (Section 11.D., page 5), contracted service providers need to have a performance review conducted every three years.

“The performance of every contracted provider will be reviewed at least every three years.”

2. Contracts with Named Service Providers

The performance of Named Services Providers (as defined in the Procurement & Contracting Policy (Section V.A., page 8) will be solicited from and reported to the Board of Retirement (Section V.C.2, page 9).

“Performance reviews of Named Service Providers will include opinions solicited from Board of Retirement or designated sub-committee members, and/or selected staff members. The results of the review will be summarized and reported to the Board of Retirement.”

3. Review of the Real Estate Consultant –Aksia LLC (Formerly TorreyCove Capital Partners LLC)

Pursuant to the above referenced policies, a performance survey was conducted for Aksia LLC (formerly TorreyCove), during October of 2020. The notes below summarize the results of the performance survey:

- Aksia personnel are easy to work with and are very knowledgeable
- Aksia is viewed as being very reliable and is responsive to requests and inquiries
- Aksia personal are effective in guiding the Board and OCERS’ staff members through decisions
- The overall performance of rating for Aksia is very high with the majority of those surveyed rating Aksia as an “A”
- There is no desire to replace Aksia at this time



Memorandum

4. Performance Review Action Item(s)

- There are no corrective action steps that need to be taken due to this review
- The contract with Aksia was effective April 1, 2018, and is set to expire March 30, 2021. The contract can be extended up to three additional years
- Consultant fees are per the contract, Exhibit D (page 74) at \$800K annually

Submitted by:

Jim Doezie

Contracts, Risk and Performance Administrator



Memorandum

DATE: January 19, 2021
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: REAL ESTATE CONSULTANT PERFORMANCE REVIEW – THE TOWNSEND GROUP

Written Report Background/Discussion

1. Performance Review Guidelines

According to the Procurement & Contracting Policy (Section 11.D., page 5), contracted service providers need to have a performance review conducted at every three years.

“The performance of every contracted provider will be reviewed at least every three years.”

2. Contracts with Named Service Providers

The performance of Named Services Providers (as defined in the Procurement & Contracting Policy (Section V.A., page 8) will be solicited from and reported to the Board of Retirement (Section V.C.2, page 9).

“Performance reviews of Named Service Providers will include opinions solicited from Board of Retirement or designated sub-committee members, and/or selected staff members. The results of the review will be summarized and reported to the Board of Retirement.”

3. Review of the Real Estate Consultant –The Townsend Group, an Aon Company *

Pursuant to the above referenced policies, a performance survey was conducted for The Townsend Group (aka “Townsend”), during October of 2020. The notes below summarize the results of the performance survey:

- Townsend personnel easy to work with and are very knowledgeable
- Townsend is viewed as being very reliable and is responsive to requests and inquiries
- Townsend personal are effective in guiding the Board and OCERS’ staff members through decisions
- The overall performance of rating for Townsend is very high with the majority of those surveyed rating Townsend as an “A”
- There is no desire to replace Townsend at this time



Memorandum

4. Performance Review Action Item(s)

- There are no corrective action steps that need to be taken due to this review
- The contract with Townsend was effective April 1, 2018, and is set to expire March 30, 2021. The contract can be extended up to three additional years
- Consultant fees are per the contract, Exhibit D (page 79) at \$270K annually

Submitted by:

Jim Doezie

Contracts, Risk and Performance Administrator

* The Townsend Holding Company LLC was acquired by Aon in 2018. The official name was rebranded as "The Townsend Group, an Aon Company"