



AGENDA

RETIREMENT BOARD MEETING

FIRST MONTHLY MEETING
October 7, 2015
9:00 a.m.

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Accept comments from the public.
3. Routine items for October 7, 2015.
 - a. Approve certifications of membership.
 - b. Approve service and disability allowances.
 - c. Accept disability applications and authorize subpoenas as required.
 - d. Approve death benefits.
 - e. Accept Asset Allocation Report

CLOSED SESSION

4. The Board will go into closed session under Gov. Code Section 54957 to consider recommendations from the Medical Advisor and/or staff regarding the following disability retirement applications:

	<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a.	Daniel Williams	Non-service Connected	Non-service Connected
b.	Troy Auzenne	Service Connected	Service Connected
5. The Board will continue in closed session under Gov. Code Section 54957(b)(1) to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee:
Title: Deputy Retirement Chief Executive Officer
6. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:

In the Matter of the Estate of Margaret O. Richards, Circuit Court of the State of Oregon, Multnomah County, Case No. 14PB01866.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

OPEN SESSION

7. Consider and take possible action to accept written acknowledgement that the CEO understands the current and future cost of medical benefit changes for CCCERA employees, as determined by Milliman in its letter of September 18, 2015.
8. Consider and take possible action to adopt the Memorandum of Understanding between Contra Costa County Employees' Retirement Association and United Clerical, Technical & Specialized Employees (AFSCME), Local 2700, for the period of July 1, 2013 through December 31, 2016 with health, dental and vision modifications and authorize Retirement CEO to execute said MOU.
9. Consider and take possible action to adopt Resolution 2015-9 providing for salary and benefits for unrepresented employees of CCCERA effective January 1, 2016.
10. Consider and take possible action to cancel the October 15, 2015 meeting.
11. Consider and take possible action to adopt the CCCERA Procurement of Products and Services policy.
12. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

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CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

Meeting Date
10/07/15
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Items requiring Board Action

A. Certifications of Membership – see list and classification forms.

B. Service and Disability Retirement Allowances:

<u>Name</u>	<u>Number</u>	<u>Effective Date</u>	<u>Option Type</u>	<u>Group</u>	<u>Selected</u>
Baxter, Andrea	56183	07/04/15	SR	III	Unmod
Burack, Aaron	52207	01/31/14	SR	II & III	Unmod
Dowell, Eileen	69181	07/06/15	SR	III	Unmod
Gardner, Brian	52012	05/15/15	SR	S/A	Option 1
Jensen-Silva, Michael	D3406	07/08/15	SR	I	Unmod
Kearns, Carole	66579	07/01/15	SR	III	Unmod
Kennedy, Gwendolyn	61737	06/26/15	SR	II & III	Unmod
Lovalvo, Maria	66578	07/01/15	SR	III	Unmod
Maciel, Earl	69604	07/01/15	SR	III	Unmod
McCulloch, Thomas	53584	05/01/15	SR	II & III	Unmod
Norwood, Karl	50843	07/18/15	SR	III	Unmod
Oakes, Clifton Phillip	41055	07/01/15	SR	II & III	Unmod
Rodriguez, Lucy	52609	06/13/15	SR	II & III	Unmod
Watts, Delvin	51243	07/01/15	SR	S/A	Unmod
Wilson, Steven	56470	07/01/15	SR	II & III	Unmod

C. Disability Retirement Applications: The Board's Hearing Officer is hereby authorized to issue subpoenas in the following cases involving disability applications:

<u>Name</u>	<u>Number</u>	<u>Filed</u>	<u>Type</u>
Currie, Lori	D9990	09/11/15	NSCD
Delalamon, Bibiana	56101	09/16/15	NSCD
Halvorson, Rebecca	72397	09/03/15	SCD
Hannon, Jennifer	46489	09/21/15	SCD

D. Deaths:

<u>Name</u>	<u>Date of Death</u>	<u>Employer</u>
Abel, Judith	9/11/2015	Contra Costa County
Ajlouny, Jaad	9/26/2015	Contra Costa County
Berry, Jeffrey	9/18/2015	Contra Costa County
Brown, James	6/19/2015	Contra Costa County
Carson, Ester	8/3/2015	Contra Costa County
Coffman, Sandra	8/23/2015	Contra Costa County
Cooper, Delridge	9/17/2015	Contra Costa County
Crothers, Lula	9/15/2015	Beneficiary

KEY:

Group
 I = Tier I
 II = Tier II
 III = Tier III
 S/A = Safety Tier A
 S/C = Safety Tier C

Option
 * = County Advance
 Selected w/option

Type
 NSP = Non-Specified
 SCD = Service Disability
 SR = Service Retirement
 NSD = Non-Service Disability

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

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October 7, 2015

Cusack, Dennis	9/21/2015	Contra Costa County
Delalamon, Bibiana	9/25/2015	Contra Costa County
Gholson, Sandra	9/25/2015	Contra Costa County
Kaye, Colleen	8/29/2015	Contra Costa County
Lofgran, Norma	9/15/2015	Central Contra Costa Sanitary District
Mallory, Nicholas	8/18/2015	Contra Costa County
Martinez, Antonio	9/13/2015	Contra Costa County Housing Authority
Mc Cully, Thomas	8/28/2015	Contra Costa County
McFadden, Russell	9/18/2015	Contra Costa County
McKinley, Mary	9/24/2015	Beneficiary
Miller, Robert	9/4/2015	Contra Costa County
Moon, James	7/17/2015	Contra Costa County
Rinne, Constance	8/21/2015	Contra Costa County
Russo, Mary Beth	6/26/2015	Contra Costa County
Sheldon, Thomas	8/29/2015	Beneficiary
Woodward, Lorraine	7/2/2015	Contra Costa County

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CERTIFICATION OF MEMBERSHIPS

Meeting Date
10/07/15
 Agenda Item
#3a.

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Alexander, Janet	82029	P5.2	08/01/15	Contra Costa County
Allgeier, Daniel	80287	P5.2	08/01/15	Contra Costa County
Alvarez, Luz	80120	P5.2	08/01/15	Contra Costa County
Askeland, Lauren	78736	P5.2	08/01/15	Contra Costa County
Axley, Christa	49680	P5.2	08/01/15	Contra Costa County
Bakker, Erin	82034	P5.2	08/01/15	Contra Costa County
Balogun, Bolanle	81939	P5.2	08/01/15	Contra Costa County
Bandy, Briana	80523	P5.2	08/01/15	Contra Costa County
Barbero, Vincent	82083	S/E	08/01/15	Contra Costa County
Berkowitz, Jesse	79226	P5.2	08/01/15	Contra Costa County
Bodin, Janese	82017	P5.2	08/01/15	Contra Costa County
Bornemann, Keith	82036	P5.2	08/01/15	Contra Costa County
Bradley, Richard	82063	P5.2	08/01/15	Contra Costa County
Buhowsky, Andrea	78356	P5.2	08/01/15	Contra Costa County
Calderon, Gloria	71978	S/A	08/01/15	Contra Costa County
Carrasco, Rita	61946	P5.2	08/01/15	Contra Costa County
Castro, Tanya	81354	P5.2	08/01/15	Contra Costa County
Chen, Ying-Ju Judy	82008	P5.2	08/01/15	Contra Costa County
Chidi, Acacia	81978	P5.2	08/01/15	Contra Costa County
Chofla, Shaun-Adrian	81957	P4.3	08/01/15	Children & Families Commission
Clark, Jared	D9500	P5.3	08/01/15	Superior Courts
Cooms, Lorinda	81945	P5.3	08/01/15	Contra Costa County
Cribben, Catherine	81999	P5.2	08/01/15	Contra Costa County
DeFrank, Stephen	82031	P5.2	08/01/15	Contra Costa County
Deol, Mandeep	81994	P5.2	08/01/15	Contra Costa County
Deol, Satuinder	81085	P5.3	08/01/15	Contra Costa County
Dessi, Stsegenet	79681	P5.2	08/01/15	Contra Costa County
Diaz, Jetzabel	81356	P5.2	08/01/15	Contra Costa County
Diouf, David	82041	P5.2	08/01/15	Contra Costa County
Dotson, Margaret	82035	P5.2	08/01/15	Contra Costa County
Doung, Sandy	81903	P5.2	07/01/15	Contra Costa County
D'Souza, Preeti	82003	P5.2	08/01/15	Contra Costa County
Erck, Tanya	D3406	P4.3	08/01/15	Central Contra Costa Sanitary District
Espinoza, Lucy	82054	P5.2	08/01/15	Contra Costa County

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II = Tier II	P4.3 = PEPRA Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPRA Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPRA Tier 5 (3% COLA)	S/E = Safety Tier E

CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Everett, Lisa	81860	P5.2	08/01/15	Contra Costa County
Fennell, Brittany	81360	P5.2	08/01/15	Contra Costa County
Gamez, Michelle	80110	P5.2	08/01/15	Contra Costa County
Gellerman, Keith	D3406	P4.3	08/01/15	Central Contra Costa Sanitary District
Goetze, Kathleen	D9500	P5.3	08/01/15	Superior Courts
Gutierrez, Guadalupe	82066	P5.2	08/01/15	Contra Costa County
Harper, Marcus	81079	P5.2	08/01/15	Contra Costa County
Hatcher, Jenika	81948	P5.2	08/01/15	Contra Costa County
Hernandez, Teresa	78362	P5.2	08/01/15	Contra Costa County
Hohnsbeen, Roger	81518	P5.2	08/01/15	Contra Costa County
Hudson, Steven	81935	P5.2	08/01/15	Contra Costa County
Hunt, Gerald	77141	P5.2	08/01/15	Contra Costa County
Irving, Rakeitha	81378	P5.2	08/01/15	Contra Costa County
Ixta, Rafael	81941	P5.2	08/01/15	Contra Costa County
Jacobs, Sacha	81977	P5.2	08/01/15	Contra Costa County
Jones, Brittney	81931	P5.2	07/01/15	Contra Costa County
Joyner, Shelby	82037	P5.2	08/01/15	Contra Costa County
Kaur, Sharanjit	81993	P5.2	08/01/15	Contra Costa County
Khalik, Kathleen	82039	P5.2	08/01/15	Contra Costa County
Koch, Cheryl	81958	P5.2	08/01/15	Contra Costa County
Lara, Martin	81989	P5.2	08/01/15	Contra Costa County
Lemmons, Paul	72904	S/C	08/01/15	Contra Costa County
Lim, Magdalena	80833	P5.2	08/01/15	Contra Costa County
Lin, Daniel	77510	P5.2	08/01/15	Contra Costa County
Linowitz, Zachary	78363	P5.2	08/01/15	Contra Costa County
Lowe, Franklin	81985	P5.2	08/01/15	Contra Costa County
Mann, Erik	82069	P5.2	08/01/15	Contra Costa County
Martinez, Vera	82050	P5.2	08/01/15	Contra Costa County
Mayeno, Amy	81998	P5.2	08/01/15	Contra Costa County
Merritt, Tyisha	82006	P5.2	08/01/15	Contra Costa County
Miller, Kristen	81943	P5.3	08/01/15	Contra Costa County
Millstein, Aram	81607	P5.2	08/01/15	Contra Costa County
Minor, Juanita	81345	P5.2	08/01/15	Contra Costa County
Montoya, Marcela	82048	P5.2	08/01/15	Contra Costa County

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CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Montoya, Marcela	82048	P5.2	08/01/15	Contra Costa County
Morris, Kristen	82047	P5.2	08/01/15	Contra Costa County
Morris, Kristen	82047	P5.2	08/01/15	Contra Costa County
Mraz, Rebekah	53191	III	08/01/15	Contra Costa County
Muller, Ytany	81942	P5.2	08/01/15	Contra Costa County
Ngero, Lydia	82001	P5.2	08/01/15	Contra Costa County
Nguyen, Du	82051	P5.2	08/01/15	Contra Costa County
Nichols, Jaimie	80117	P5.2	08/01/15	Contra Costa County
Norwood, Venus	80724	P5.2	08/01/15	Contra Costa County
Oblepias, Maria Katrina	81636	P5.3	08/01/15	Contra Costa County
Orton, Jacob	80744	P5.2	08/01/15	Contra Costa County
Osafo-Mensah, Rita	81949	P5.2	08/01/15	Contra Costa County
Pitre, Lakrisha	81938	P5.2	08/01/15	Contra Costa County
Psara, Susan	81950	P5.2	08/01/15	Contra Costa County
Quema, Derrick	81995	P5.2	08/01/15	Contra Costa County
Quinto, Vicky	63320	I	08/01/15	Contra Costa County
Radke, Dylan	82009	P5.2	08/01/15	Contra Costa County
Remotigue, Jean	81944	P5.2	08/01/15	Contra Costa County
Rhu, Jin Young	82000	P5.3	08/01/15	Contra Costa County
Rodas Guzman, Ivon	81932	P5.2	08/01/15	Contra Costa County
Schmidt, Davia	82030	P5.2	08/01/15	Contra Costa County
Shipman, Anthony	82040	P5.2	08/01/15	Contra Costa County
Skaar, Rashida	82028	P5.2	08/01/15	Contra Costa County
Smith, Nickolas	82004	P5.2	08/01/15	Contra Costa County
Smith, Stacey	81019	P5.2	08/01/15	In-Home Support Services
Steele-Bernard, Ashley	82046	P5.2	08/01/15	Contra Costa County
Stone, Joseph	D3406	P4.3	08/01/15	Central Contra Costa Sanitary District
Susi, Christian	82044	P5.2	08/01/15	Contra Costa County
Tapia, Ricardo	81258	P5.2	08/01/15	Contra Costa County
Taylor, Michael	80265	P5.2	08/01/15	Contra Costa County
Thompson, Brandon	81341	P5.2	08/01/15	Contra Costa County

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TIER CHANGES

<i>Name</i>	<i>Employee Number</i>	<i>Old Tier</i>	<i>New Tier</i>	<i>Effective Date</i>	<i>Employer</i>	<i>Reason for Change</i>
Anderson, Joseph	81303	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Bates, Aaron	81305	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Byrng, Carson	81175	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Calderon, Adian	81172	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Cardona, Luis	81270	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Clarke, Michael	81171	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Connelly, Kenneth	81170	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Coupe, Stephen	81301	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Delgado, Ari	81304	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Diaz, Jorge	81169	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Harrington, Michael	81167	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Houston, Jarred	80105	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Jackson, Lakresha	81306	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Kiernan, Casey	81283	S/E	S/A	3/1/2015	CCC Fire Protection District	Reciprocity
Martinez, Vincent	81262	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
McCollin, Kyle	81307	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Mulkearns, David	81298	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Peters, Melissa	81864	P5.2	III	7/1/2015	Contra Costa County	Reciprocity
Reyes, Jose	81182	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff
Rich, Adam	81265	S/E	S/A	3/1/2015	CCC Fire Protection District	Reciprocity
Russomanno, Christian	81180	P5.2	S/E	8/1/2015	Contra Costa County	Recruit to Sheriff

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ASSET ALLOCATION

Current Assets (Market Value)

\$7,204,442,000

Reporting Month End: Aug 31, 2015

Prepared By: Chih-Chi Chu

Robeco

Jackson Square Partners (fka Delaware)

Emerald Advisors

Intech (Core)

PIMCO Stocks+ Absolute Return

Ceredex

Total Domestic Equity

Payford (BMO)

William Blair

Total International Equity

JPMorgan Global Opportunities

First Eagle

Artisan Global Opportunities

Intech (Global Low Volatility)

Total Global Equity

Total Equity

AFL-CIO Housing Investment Trust

PIMCO Total Return

GSAM "Park" Portfolio

Goldman Sachs Asset Management

Lord Abbett

Torchlight Debt Opportunity Funds

Total Domestic Fixed Income

Lazard Asset Management

Total Global Fixed Income

Allianz Global Investors (fka Nicholas Applegate)

Total High Yield Fixed Income

Wellington Real Total Return

PIMCO All Asset

Private Real Asset

Total Real Asset

Total Real Estate

Total Alternative Investments

County Treasurer

State Street Bank

Total Cash & Equivalents

Total Market Opportunities

TOTAL ASSETS

Meeting Date
10/07/15
Agenda Item
#3e.

A	B	C	D	C-B	D-A	Range
% of Target	Target Assets	Market Value	Actual Assets	Over (Under)	Over (Under)	
4.3%	309,791,006	300,277,000	4.17%	(9,514,006)	(0.13%)	
4.3%	309,791,006	302,841,000	4.20%	(6,950,006)	(0.10%)	
3.0%	216,133,260	209,053,000	2.90%	(7,080,260)	(0.10%)	
4.0%	288,177,680	286,600,000	3.98%	(1,577,680)	(0.02%)	
4.0%	288,177,680	248,823,000	3.45%	(39,354,680)	(0.55%)	
3.0%	216,133,260	212,635,000	2.95%	(3,498,260)	(0.05%)	
22.6%	1,628,203,892	1,560,229,000	21.66%	(67,974,892)	(0.94%)	
5.3%	381,835,426	363,875,000	5.05%	(17,960,426)	(0.25%)	
5.3%	381,835,426	368,342,000	5.11%	(13,493,426)	(0.19%)	
10.6%	763,670,852	732,217,000	10.16%	(31,453,852)	(0.44%)	
4.0%	288,177,680	265,939,000	3.69%	(22,238,680)	(0.31%)	
4.0%	288,177,680	283,354,000	3.93%	(4,823,680)	(0.07%)	
4.0%	288,177,680	278,861,000	3.87%	(9,316,680)	(0.13%)	
0.3%	21,613,326	21,615,000	0.30%	1,674	0.00%	
12.3%	886,146,366	849,769,000	11.80%	(36,377,366)	(0.50%)	
45.5%	3,278,021,110	3,142,215,000	43.61%	(135,806,110)	(1.89%)	40% TO 55%
3.3%	237,746,586	243,234,000	3.38%	5,487,414	0.08%	
5.6%	403,448,752	423,009,000	5.87%	19,560,248	0.27%	
0.0%	0	4,000	0.00%	4,000	0.00%	
4.6%	331,404,332	344,353,000	4.78%	12,948,668	0.18%	
4.6%	331,404,332	339,052,000	4.71%	7,647,668	0.11%	
1.9%	136,884,398	126,401,000	1.75%	(10,483,398)	(0.15%)	
20.0%	1,440,888,400	1,476,053,000	20.49%	35,164,600	0.49%	
4.0%	288,177,680	292,618,000	4.06%	4,440,320	0.06%	
24.0%	1,729,066,080	1,768,671,000	24.55%	39,604,920	0.55%	20% TO 30%
5.0%	360,222,100	356,499,000	4.95%	(3,723,100)	(0.05%)	
5.0%	360,222,100	356,499,000	4.95%	(3,723,100)	(0.05%)	2% TO 9%
0.8%	54,033,315	198,733,000	2.76%	144,699,685	2.01%	
1.8%	126,077,735	121,885,000	1.69%	(4,192,735)	(0.06%)	
2.5%	180,111,050	37,595,000	0.52%	(142,516,050)	(1.98%)	
5.0%	360,222,100	358,213,000	4.97%	(2,009,100)	(0.03%)	0% TO 10%
12.5%	900,555,250	940,190,000	13.05%	39,634,750	0.55%	10% TO 16%
7.0%	504,310,940	546,142,000	7.58%	41,831,060	0.58%	5% TO 12%
			0.00%			
		66,875,000	0.93%			
0.5%	36,022,210	66,875,000	0.93%	30,852,790	0.43%	0% TO 1%
0.5%	36,022,210	25,637,000	0.00%	(10,385,210)	(0.50%)	0% TO 5%
100.0%	7,204,442,000	7,204,442,000	100%	0	0%	

UNDER REVIEW:

Nogales Investors - Performance, Board Action 05/28/08

**Private Real Estate Alternative Investments
As of August 31, 2015**

REAL ESTATE INVESTMENTS	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
DLJ Real Estate Capital Partners, L.P. II	07/31/99	07/31/09	3rd 2 YR	LP	6/30/2015	40,000,000	3,906,000	0.05%	18,958,000
DLJ Real Estate Capital Partners, L.P. III	06/30/05	06/30/14	1st 2 YR	GP	6/30/2016	75,000,000	46,420,000	0.64%	19,476,000
DLJ Real Estate Capital Partners, L.P. IV	12/31/07	09/30/16				100,000,000	81,980,000	1.14%	54,002,000
DLJ Real Estate Capital Partners, L.P. V	07/31/13	12/31/22				75,000,000	38,352,000	0.53%	
SEARCHSTONE PARTNERS II	06/17/95	12/31/99				6,430,000	152,000	0.00%	
Invesco IREF I	10/22/03	04/30/11	3rd 1 YR	GP	4/30/2014	50,000,000	5,625,000	0.08%	20,305,000
Invesco IREF II	05/30/07	12/31/15				85,000,000	29,530,000	0.41%	24,315,000
Invesco IREF III	08/01/13	08/01/20				35,000,000	22,478,000	0.31%	
Invesco IREF IV	12/01/14	12/01/21				35,000,000	11,807,000	0.16%	
Long Wharf FREG II	07/18/03	02/28/12	NOT DEF	LP	12/31/2014	50,000,000	794,000	0.01%	
Long Wharf FREG III	03/30/07	12/30/15				75,000,000	18,801,000	0.26%	2,581,000
Long Wharf FREG IV	08/14/13	09/30/21				25,000,000	18,887,000	0.26%	
Oaktree Real Estate Opportunities Fund V	12/15/11	12/31/16				50,000,000	43,039,000	0.60%	13,682,000
Oaktree Real Estate Opportunities Fund VI	09/30/13	09/30/20				80,000,000	75,100,000	1.04%	65,000,000
Oaktree Real Estate Opportunities Fund VII	02/28/15	02/28/23				65,000,000	0	0.00%	14,643,000
Siguler Guff Distressed Real Estate Opp. Fund	12/31/11	12/31/16				75,000,000	75,263,000	1.04%	53,360,000
Siguler Guff Distressed Real Estate Opp. Fund II	08/31/13	08/31/20				70,000,000	34,850,000	0.48%	5,800,000
Paulson Real Estate Fund II	11/10/13	11/10/20				20,000,000	18,772,000	0.26%	18,145,000
Angelo Gordon Realty Fund VIII	12/31/11	12/31/18				80,000,000	66,724,000	0.93%	65,000,000
Angelo Gordon Realty Fund IX	10/10/14	10/10/22				65,000,000	0	0.00%	3,946,000
LaSalle Income & Growth Fund VI	11/10/12	01/31/19				75,000,000	91,111,000	1.26%	
Adelante Capital Management (REIT)	01/31/12					0	170,801,000	2.37%	
INVESCO International REIT						0	75,982,000	1.05%	
Willows Office: \$10,774,100 ***						0	10,000,000	0.14%	
*** Purchase price \$10,600,000 plus acquisition cost and fees \$174,100.									
Outstanding Commitments						1,336,250,000	940,190,000	13.05%	379,213,000
Total						693,407,000	1,319,403,000		

PRIVATE DEBT INVESTMENTS	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Torchlight Debt Opportunity Fund II	09/28/06	09/30/16				128,000,000	60,447,000	0.84%	3,143,000
Torchlight Debt Opportunity Fund III	09/30/08	09/30/16				75,000,000	10,291,000	0.14%	71,250,000
Torchlight Debt Opportunity Fund IV	08/01/12	08/30/20				60,000,000	51,878,000	0.72%	
Torchlight Debt Opportunity Fund V	12/31/14	09/17/22				75,000,000	3,785,000	0.05%	
Outstanding Commitments						338,000,000	126,401,000	1.75%	74,393,000
Total							74,393,000		200,794,000

**Private Real Estate Alternative Investments
As of August 31, 2015**

ALTERNATIVE INVESTMENTS										
Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment		
12/22/95	INDEFINITE				180,000,000	126,102,000	1.75%	99,344,000		
12/31/08	12/31/20				30,000,000	24,605,000	0.34%	12,637,000		
10/31/12	10/31/22				40,000,000	15,517,000	0.22%	24,099,000		
11/09/98	05/31/21				125,000,000	61,655,000	0.86%	18,249,000		
12/26/08	12/26/23				30,000,000	23,454,000	0.33%	7,911,000		
05/24/11	05/24/26				40,000,000	23,379,000	0.32%	19,383,000		
02/07/13	02/07/28				70,000,000	21,193,000	0.29%	48,259,000		
06/03/14	05/31/25				200,000,000	30,905,000	0.43%	169,829,000		
11/08/02	11/08/12	3rd YR	LP	11/08/15	30,000,000	821,000	0.01%	0		
06/15/05	06/15/15				50,000,000	39,078,000	0.54%	0		
02/28/07	02/28/17				65,000,000	56,875,000	0.79%	0		
06/28/10	06/28/20				50,000,000	33,768,000	0.47%	28,979,000		
02/15/04	02/15/14				15,000,000		0.00%	0		
06/14/04	01/15/13	1st 2 YR	LP	1/15/2015	10,000,000	8,070,000	0.11%	0		
2/29/09	12/31/17				10,000,000	9,999,000	0.14%	767,000		
11/30/07	12/31/17				25,000,000	19,449,000	0.27%	0		
01/31/08	01/31/16				30,000,000	40,827,000	0.57%	1,479,000		
06/11/14	05/31/24				30,000,000	10,445,000	0.14%	19,384,000		
Outstanding Commitments					1,030,000,000	546,142,000				450,320,000
Total						996,462,000				

MARKET OPPORTUNITIES										
Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment		
02/28/10	01/31/17				40,000,000	25,637,000	0.36%	5,163,000		
09/10/15	09/10/20				75,000,000	0	0.00%	75,000,000		
Outstanding Commitments					115,000,000	25,637,000				80,163,000
Total						105,800,000				

REAL ASSET INVESTMENTS										
Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment		
06/30/13	06/30/20				50,000,000	17,351,000	0.24%	32,750,000		
11/30/13	11/30/20				75,000,000	20,244,000	0.28%	54,636,000		
Outstanding Commitments					125,000,000	37,595,000				87,386,000
Total						124,981,000				

Market value column is the latest ending quarter plus any additional capital calls after the ending quarter.
The Target Termination column is the beginning of liquidation of the fund, however, some funds may be extended for an additional two or three years.



MEMORANDUM

Date: October 7, 2015

To: CCCERA Board of Retirement

From: Gail Strohl, Chief Executive Officer

Subject: Government Code 7507 – Chief Executive Officer Acknowledgement of future costs of benefits - AFSCME, Local 2700 and Unrepresented Staff

Background

Government Code Section 7507 requires that the future costs, as determined by the actuary, of changes in retirement benefits or other postemployment benefits for CCCERA employees, be made public at a public meeting at least two weeks prior to the adoption of any changes in public retirement plan benefits or other postemployment benefits.

A tentative agreement has been reached between CCCERA and AFSCME, Local 2700 which will result in medical plan changes that are calculated in the September 18, 2015 report from Milliman. On September 23, 2015, the Board accepted the actuarial valuation of future annual costs of the proposed changes to Other Post Employment Benefits as provided by Milliman. Section 7507 further requires that upon the adoption of this benefit change, the CCCERA Chief Executive Officer must acknowledge in writing that he or she understands the current and future cost of the benefit as determined by the actuary.

Required CEO Acknowledgement Regarding The Fiscal Impact:

As the CCCERA Chief Executive Officer, I acknowledge in writing that I understand the current and future cost of the benefit changes presented to the Retirement Board today, as determined by the actuary and contained in the September 18, 2015 letter from Milliman.

Recommendation

Consider and take possible action to accept the CCCERA Chief Executive Officer's written acknowledgement that she understands the current and future cost of medical benefit changes for CCCERA employees, as determined by Milliman in its letter of September 18, 2015.



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milliman.com

September 18, 2015

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

***Contra Costa County Employees' Retirement Association Staff Plan –
Analysis of Proposed Retiree Health Benefit Changes Effective January 1, 2016***

Dear Kurt:

As requested, we have estimated the cost impact of a proposed change to retiree health benefits for the Contra Costa County Employees' Retirement Association Staff Plan. The proposed benefit change would apply to all Association employees who had at least one hour of service on or after January 1, 2015. The purpose of this analysis is to estimate the change in the Association's other postemployment benefit liability under GASB 45 (comparison of the present value of benefits, actuarial accrued liability, normal cost, annual required contribution, and projected benefit payments is shown before and after the proposed change) to comply with California Government Code Section 7507.

Current Plan

Currently, CCCERA contracts with Contra Costa County for health and dental benefits for its staff employees and eligible retirees. Staff employees who retire from CCCERA may continue enrollment in the County plan and receive a subsidy toward medical and dental premiums as defined in Appendix A. Prior to 2015, CCCERA staff who retired were considered County retirees and subject to a cap on the amount of premiums that were paid for by the County. Effective January 1, 2015, all CCCERA staff employees became employees of CCCERA and are no longer employees of the County. CCCERA provided a schedule (included in Appendix A-1) of the portion of County Health plan premiums paid by CCCERA and paid by eligible retirees and has indicated that for 2017 and later, CCCERA's share of the premium will increase each year by half of the amount of the full premium increase. We have valued CCCERA's liability based on the premium schedule and assuming the County's share will increase each year by half of the total premium increase.

Proposed Plan

Effective January 1, 2016 and each year thereafter, CCCERA will contract with CalPERS for health benefits. For Unrepresented employees hired before January 1, 2009, or AFSCME employees hired before January 1, 2010, CCCERA will pay for the cost of monthly retiree health premiums up to a maximum amount equal to the 2016 Kaiser Bay Area Basic rate for each enrollment tier upon meeting age and service eligibility requirements (10 years of service if hired before December 31, 2006, or 15 years if hired after December 31, 2006). For 2017 and later, we have valued the liabilities based on two scenarios: Scenario 2 is based on the assumption that the 2016 Kaiser Bay

Area Basic rate cap will apply to all future years, and Scenario 3 is based on the assumption that the 2016 Kaiser Bay Area Basic rate cap will apply for 2016 to 2018, and for 2019 and beyond the cap will increase each year as the Kaiser Bay Area Basic rate is assumed to increase with medical inflation. CCCERA staff employees who do not meet the minimum service requirements above or who were hired on or after January 1, 2009 (Unrepresented), or January 1, 2010, (AFSCME) will only be eligible to receive a monthly premium subsidy equal to the PEMHCA minimum contribution (\$125.00 per month in 2016). The retiree is responsible for any premium in excess of the subsidy paid by CCCERA.

Results

The following table shows a comparison of estimated liabilities as of January 1, 2016 based on the current and proposed plans. The estimate is based on census data provided to us by CCCERA.

	Scenario 1 CCC Plan	Scenario 2 CalPERS Plan No increase to Cap	Scenario 3 CalPERS Plan Cap Increases after 2018	Change Scenario 1 to 2	Change Scenario 1 to 3
Present Value of Benefits	\$9,458,000	\$7,347,000	\$13,053,000	(\$2,111,000)	\$3,595,000
Actuarial Accrued Liability	\$6,151,000	\$4,942,000	\$8,285,000	(\$1,209,000)	\$2,134,000
Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unfunded AAL	\$6,151,000	\$4,942,000	\$8,285,000	(\$1,209,000)	\$2,134,000
Amortization of UAAL	\$399,000	\$320,000	\$537,000	(\$79,000)	\$138,000
Normal Cost	\$399,000	\$322,000	\$549,000	(\$77,000)	\$150,000
Annual Required Contribution (ARC)	\$798,000	\$642,000	\$1,086,000	(\$156,000)	\$288,000

The items shown in the table above are defined as follows:

The **Present Value of Benefits** is the present value of projected benefits (projected claims less retiree contributions) discounted at a valuation interest rate (3.50%).

The **Actuarial Accrued Liability (AAL)** is the present value of benefits that are attributed to past service only. The portion attributed to future employee service is excluded. For active employees, this is equal to the present value of benefits prorated by service to date over service at the expected retirement age.

The **Normal Cost** is that portion of the present value of benefits attributable to employee service in the current year only.

The **Annual Required Contribution (ARC)** is equal to the Normal Cost plus an amount to amortize the unfunded AAL as a level dollar amount over a fixed period. For purposes of this comparison, we have assumed a period of 22 years from January 1, 2016.

The table below shows the projected benefit payments for the next 15 years under the current and proposed benefit plans starting January 1, 2016. The projected benefit payments are net of required retiree contributions, but include the value of the implicit premium rate subsidy for non-Medicare retirees for whom the same premium rate is charged as for actives. The projected benefit payments include only employees currently employed by CCCERA. Future employees are not reflected in the table below.

Year	Scenario 1 CCC Plan	Scenario 2 CalPERS Plan	Scenario 3 CalPERS Plan	Change Scenario 1 to 2	Change Scenario 1 to 3
2016	\$26,000	\$32,000	\$32,000	\$6,000	\$6,000
2017	85,000	95,000	95,000	10,000	10,000
2018	119,000	128,000	128,000	9,000	9,000
2019	182,000	182,000	188,000	0	6,000
2020	229,000	224,000	239,000	(5,000)	10,000
2021	235,000	228,000	249,000	(7,000)	14,000
2022	288,000	269,000	302,000	(19,000)	14,000
2023	318,000	290,000	334,000	(28,000)	16,000
2024	376,000	336,000	398,000	(40,000)	22,000
2025	418,000	369,000	446,000	(49,000)	28,000
2026	468,000	406,000	502,000	(62,000)	34,000
2027	528,000	457,000	576,000	(71,000)	48,000
2028	516,000	457,000	582,000	(59,000)	66,000
2029	519,000	452,000	586,000	(67,000)	67,000
2030	535,000	464,000	623,000	(71,000)	88,000

Important Notes

Appendices A through C contain a description of the current and proposed provisions, assumptions, and data used in this report.

In preparing our report, we relied, without audit, on information (some oral and some in writing) supplied by CCCERA staff. This information includes but not limited to employee census data, financial information and plan provisions. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

All costs, liabilities, rates of interest, and other factors for CCCERA have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of CCCERA and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting CCCERA. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations which, in combination, represent our best estimate of anticipated experience for CCCERA.

This analysis is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of CCCERA's contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. CCCERA has the final decision regarding the appropriateness of the assumptions and actuarial cost methods.

This letter is prepared solely for the internal business use of Contra Costa County Employees' Retirement Association. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

- a) Contra Costa County Employees' Retirement Association may provide a copy of Milliman's work, in its entirety, to the County's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the County.
- b) Contra Costa County Employees' Retirement Association may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

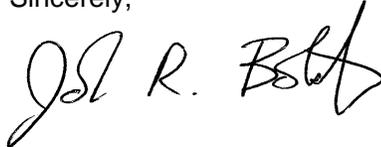
The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

Kurt Schneider
September 18, 2015
Page 5

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Botsford". The signature is fluid and cursive, with the first name "John" being the most prominent.

John R. Botsford, FSA, MAAA
Principal and Consulting Actuary

JRB:dy
enc.

Appendix A-1. Summary of Benefits under Current Plan before Proposed Changes

The following description of retiree health benefits is intended to be only a brief summary and is not complete information.

Eligibility

Employees may receive retiree health benefits if they retire from CCCERA, are receiving a pension, and meet certain eligibility requirements as follows:

CCCERA employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 30 years of pension service with no age requirement.

Employees hired after December 31, 2006 and represented by the following bargaining groups (AFSCME and Unrepresented) also must have 15 years of service.

Health Benefits

Eligible retirees and their dependents are covered either under the Contra Costa Health Plans, Health Net plans, or Kaiser plans sponsored by the Contra Costa County. Coverage may be provided for a retiree and surviving spouse as long as retiree and surviving spouse monthly premium contributions are paid. CCCERA pays a subsidy toward eligible retirees' monthly medical and dental premiums. This subsidy may vary by bargaining unit and date of hire as described in this appendix. Employees hired on or after dates described in the table below and represented by the following bargaining groups must pay the entire cost of premiums to maintain coverage.

Bargaining Unit Name	Hire Date on or after which eligible retirees must pay entire cost of premiums
Unrepresented	January 1, 2009
AFSCME	January 1, 2010

All surviving spouses must pay the entire cost of premiums to maintain coverage.

Health Insurance Premium Rates

The following table shows monthly retiree health insurance premiums for the 2016 calendar year for coverage under various health plans sponsored by Contra Costa County. For 2017 and beyond, the subsidies will increase by one half of the premium increase each year.

Medical Plan	2016 Subsidy Cap	2016 Premium Rate	Subsidy for 2016	Retiree's Share for 2016
<u>Contra Costa Health Plan A</u>				
Retiree on Basic Plan	\$ 564.24	\$ 708.76	\$ 564.24	\$ 144.52
Retiree & 1 or more dependents on Basic Plan	1,344.32	1,688.66	1,344.32	344.34
Retiree on Medicare Coordination of Benefits (COB) Plan	420.27	319.07	319.07	0.00
Retiree & 1 or more dependents on Medicare COB Plan	1,035.60	638.14	638.14	0.00
<u>Contra Costa Health Plan B</u>				
Retiree on Basic Plan	588.71	785.67	588.71	196.96
Retiree & 1 or more dependents on Basic Plan	1,398.87	1,866.90	1,398.87	468.03
Retiree on Medicare COB Plan	444.63	328.63	328.63	0.00
Retiree & 1 or more dependents on Medicare COB Plan	1,088.06	657.26	657.26	0.00
<u>Kaiser Permanente – Plan A</u>				
Retiree on Basic Plan	487.02	819.44	487.02	332.42
Retiree & 1 or more dependents on Basic Plan	1,134.75	1,910.35	1,134.75	775.60
Retiree on Medicare COB Plan	263.94	307.17	263.94	43.23
Retiree & 1 dependent on Medicare COB Plan	712.79	829.52	712.79	116.73
Retiree & 2 dependents on Medicare COB Plan	1,161.65	1,349.85	1,161.65	188.20
<u>Kaiser Permanente – Plan B</u>				
Retiree on Basic Plan	498.04	656.68	498.04	158.64
Retiree & 1 or more dependents on Basic Plan	1,160.40	1,530.04	1,160.40	369.64
Retiree on Medicare COB Plan	263.94	232.91	232.91	0.00
Retiree & 1 dependent on Medicare COB Plan	712.79	628.87	628.87	0.00
Retiree & 2 dependents on Medicare COB Plan	1,161.65	1,022.78	1,022.78	0.00
<u>Health Net HMO – Plan A</u>				
Retiree on Basic Plan	737.97	1,294.89	737.97	556.92
Retiree & 1 or more dependents on Basic Plan	1,810.30	3,176.48	1,810.30	1,366.18
Retiree on Medicare Seniority Plus Plan	409.69	558.77	409.69	149.08
Retiree & 1 dependent on Medicare Seniority Plus Plan	819.38	1,117.54	819.38	298.16
Retiree & 2 dependents on Medicare Seniority Plus Plan	1,229.07	1,676.31	1,229.07	447.24
<u>Health Net HMO – Plan B</u>				
Retiree on Basic Plan	704.41	900.45	704.41	196.04
Retiree & 1 or more dependents on Basic Plan	1,727.97	2,208.87	1,727.97	480.90
Retiree on Medicare Seniority Plus Plan	409.69	469.08	409.69	59.39
Retiree & 1 dependent on Medicare Seniority Plus Plan	819.38	938.16	819.38	118.78
Retiree & 2 dependents on Medicare Seniority Plus Plan	1,229.07	1,407.25	1,229.07	178.18

* 2016 rates are not yet known for Medicare plans. We assumed the 2015 rate will increase by 6%.

Health Insurance Premium Rates (continued)

Medical Plan	2016 Subsidy Cap	2016 Premium Rate	Subsidy for 2016	Retiree's Share for 2016
<u>Health Net CA & Nat'l PPO – Basic Plan A</u>				
Retiree on PPO	783.97	1,699.43	783.97	915.46
Retiree & 1 or more dependents on PPO Basic Plan	1,862.35	4,037.12	1,862.35	2,174.77
Retiree on PPO Medicare Plan with Medicare Part A & B	563.17	1,013.96	563.17	450.79
Retiree & 1 or more dependents on PPO Medicare Plan with Medicare Part A & B	1,126.24	2,027.92	1,126.24	901.68
<u>Health Net CA & Nat'l PPO – Basic Plan B</u>				
Retiree on PPO	766.07	1,529.90	766.07	763.83
Retiree & 1 or more dependents on PPO Basic Plan	1,819.84	3,634.38	1,819.84	1,814.54
Retiree on PPO Medicare Plan with Medicare Part A & B	563.17	920.91	563.17	357.74
Retiree & 1 or more dependents on PPO Medicare Plan with Medicare Part A & B	1,126.24	1,841.81	1,126.24	715.57

Dental Plan Premiums

The following table shows monthly retiree dental insurance premiums for the 2016 calendar year. County subsidies vary based on retiree’s medical plan enrollment election and bargaining unit upon retirement.

Plan	Monthly Premiums
Delta Dental - \$1,800 Annual Maximum	
Retiree	\$ 44.27
Family	100.00
Delta Care (PMI)	
Retiree	\$ 29.06
Family	62.81

Appendix A-2. Summary of Benefits under Proposed Plan

The following description of the proposed retiree health benefits is intended to be only a brief summary and is not complete information.

Eligibility

For unrepresented employees who are hired prior to January 1, 2009, or AFSCME employees hired prior to January 1, 2010, CCCERA will pay for the cost of monthly retiree health premiums up to a maximum dollar amount specified in the MOU for each enrollment tier if they retire from CCCERA, are receiving a pension, and meet certain eligibility requirements as follows:

Age 50 with 10 years of pension service or age 70 with a vested pension, or after 30 years of pension service with no age requirement to receive a vested pension from CCCERA. Employees hired after December 31, 2006 and represented by AFSCME or Unrepresented also must have 15 years of service where 5 years of those years must be an active employee of CCCERA.

For employees who do not meet the eligibility requirements described above and elect to enroll in the CalPERS Health Plan, CCCERA will pay a monthly premium subsidy equal to the PEMHCA minimum contribution (\$125.00 per month in 2016).

Health Benefits

Under the proposed plan, eligible retirees and their dependents may elect coverage under the health plans sponsored by the CalPERS. Employees who meet the eligibility requirements to receive a subsidy up to the monthly maximum rate subsidies by rate tier are shown below for 2016.

Coverage	Medical	Dental
Employee Only	\$ 746.47	\$ 46.21
Employee and Spouse	1,492.94	103.72
Employee and Child	1,492.94	103.41
Family	1,940.82	169.38

All other employees who retire and elect medical coverage will receive the PEMHCA minimum contribution (\$125 per month for 2016, subject to an annual increase based on the medical Consumer Price Index).

Health Insurance Premium Rates

Retirees may choose among the following PEMHCA plans. Effective January 1, 2016, CalPERS will no longer offer Medicare Advantage plans offered by Anthem and Blue Shield and will add a Health Net option for non-Medicare retirees only.

	<i>Monthly Premium Rates – Effective January 1, 2016</i>					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Anthem HMO Select	\$ 721.79	N/A	\$ 1,443.58	N/A	\$ 1,876.65	N/A
Anthem HMO Traditional	855.42	N/A	1,710.84	N/A	2,224.09	N/A
Blue Shield	1,016.18	N/A	2,032.36	N/A	2,642.07	N/A
Blue Shield NetValue	1,033.86	N/A	2,067.72	N/A	2,688.04	N/A
HealthNet SmartCare	808.44	N/A	1,616.88	N/A	2,101.94	N/A
Kaiser	746.47	297.23	1,492.94	594.46	1,940.82	891.69
PERS Choice	798.36	366.38	1,596.72	732.76	2,075.74	1099.14
PERS Select	730.07	366.38	1,460.14	732.76	1,898.18	1099.14
PERSCare	889.27	408.04	1,778.54	816.08	2,312.10	1224.12
United Healthcare	955.44	320.98	1,910.88	641.96	2,484.14	962.94

Appendix B-1. Actuarial Cost Method and Assumptions under Current Benefit

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and eligible retirees and is calculated based on the assumptions and census data described in this report.

The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. The actuarial value of assets is equal to the market value of assets as of the valuation date.

In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level dollar amount, assumed to be 22 years from January 1, 2016. The actuarial assumptions are summarized below.

Economic Assumptions

Discount Rate (Liabilities) 3.50% - Unfunded Liability

Demographic Assumptions

Below is a summary of the assumed rates for mortality, retirement, disability and withdrawal.

Pre / Post Retirement Mortality

Healthy: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back one year.

Disabled: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward six years for males and set forward seven years for females.

Beneficiaries: Beneficiaries are assumed to have the same mortality as a healthy retiree of the opposite sex who had taken a service (non-disability) retirement.

Disability

Age	Rates
20	0.01%
25	0.02%
30	0.04%
35	0.08%
40	0.16%
45	0.32%
50	0.52%

Withdrawal – Sample probabilities of terminating employment with CCCERA are shown below for selected years of service.

Years of Service	Rates
Less than 1	13.50%
1	9.00%
2	9.00%
3	6.00%
4	4.50%
5	4.00%
10	2.75%
15	2.10%
20 or more	2.00%

Retirement

Age	Rates	Age	Rates
45	0%	60	30%
46	0%	61	35%
47	0%	62	35%
48	0%	63	35%
49	0%	64	35%
50	5%	65	40%
51	4%	66	40%
52	6%	67	40%
53	6%	68	40%
54	12%	69	40%
55	20%	70	100%
56	20%	72	100%
57	20%	73	100%
58	22%	74	100%
59	25%	75	100%

Coverage Election Assumptions

Retiree Coverage – We have assumed 90% of new retirees will elect medical and dental coverage at retirement. For new retirees who were members of certain bargaining units indicated in appendix A and hired after a certain date indicated (eligible retirees must pay entire cost of premium to maintain coverage under the current plan or receive only the PEMHCA minimum under the proposed plan), we have assumed 50% will elect medical and dental coverage at retirement.

Spouse Coverage – We have assumed 50% of new retirees electing coverage will elect spouse medical and dental coverage at retirement.

Spouse Age – Female spouses are assumed to be three years younger than male spouses.

Dependent Coverage – We have assumed 30% of retirees with no spouse coverage will elect coverage for a dependent child until age 65, and 50% of retirees with spouse coverage will elect coverage for a dependent child until age 65.

Health Plan Election – We have assumed that new retirees will remain enrolled in the same plan they were enrolled in as actives. For actives who waived coverage, we have assumed that they will elect the Kaiser plan coverage.

Valuation of Retiree Premium Subsidy Due to Active Health Costs

The County health plans charge the same premiums for retirees who are not yet eligible for Medicare as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.) GASB 45 requires that the value of this subsidy be recognized as a liability in valuations of OPEB costs. To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent per member per month (PMPM) costs that vary by age based on the age distribution of covered members, and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines™. Based on the carrier premium rates and relative age cost factors assumptions, we developed age adjusted monthly PMPM health costs for 2014 to be used in valuing the implicit rate subsidy. The following tables show the age adjusted expected monthly claims cost for a male participant at age 64 for each health plan and relative age factors compared to a male age 64.

Plan	Monthly Age Adjusted Claims Cost for Age 64 Male	Dependent Child Cost Load
CCHP A	\$ 1,164	\$ 157
CCHP B	1,431	329
Kaiser A	1,384	246
Kaiser B	1,278	264
Health Net HMO A	1,878	394
Health Net HMO B	1,621	369
Health Net PPO	1,903	316

Relative Claims Cost Factor Compared to Male age 64

Age	Male	Female
50	0.458	0.572
55	0.604	0.668
60	0.786	0.789
64	1.000	0.915

Since retirees eligible for Medicare (age 65 and beyond) are enrolled in Medicare supplemental plans, the premiums for retirees with Medicare are determined without regard to active employee claims experience and no such subsidy exists for this group for medical cost.

Medical Cost Inflation Assumption

We assumed future increases to the health costs and premiums are based on the “Getzen” model published by the Society of Actuaries for purposes of evaluating long term medical trend. Under the Patient Protection and Affordable Care Act of 2010, a Federal excise tax will apply for high cost health plans beginning in 2018. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The following table shows the assumed rate increases in future years for Medical premiums.

Calendar Year	Pre 65	Calendar Year	Post 65
2016	5.75%	2016	6.50%
2017	6.50%	2017 – 2025	6.00%
2018 – 2020	5.75%	2026 – 2032	5.75%
2021 – 2023	6.50%	2033	6.00%
2024 – 2028	6.25%	2034	6.75%
2029	6.50%	2035	6.50%
2030 – 2035	6.25%	2036 – 2042	6.25%
2036	6.00%	2043 – 2045	6.00%
2037 – 2040	5.75%	2046 – 2051	5.75%
2041 – 2048	5.50%	2052 – 2059	5.50%
2049 – 2063	5.25%	2060 – 2070	5.25%
2064 – 2074	5.00%	2071 – 2076	5.00%
2075 – 2079	4.75%	2077 – 2081	4.75%
2080 +	4.50%	2082 +	4.50%

Dental Cost We assumed Dental costs will increase 4.0% annually.

Appendix B-2. Actuarial Cost Method and Assumptions under Proposed Benefit

In addition to the assumptions described in Appendix B-1, the following assumptions specific to the CalPERS Health Plan were used.

Coverage Election Assumptions

Retiree Coverage – For new retirees who were members of certain bargaining units indicated in appendix A and hired after a certain date indicated (eligible retirees must pay entire cost of premium to maintain coverage), we have assumed 50% will elect medical and dental coverage at retirement. For new retirees hired before the date indicated in appendix A and retired with less than 15 years of service, we assumed 50% will elect medical coverage at retirement.

Health Plan Election – We have assumed that new retirees will enroll in the PERSChoice Medicare Supplemental Plan once they become Medicare eligible. For retirees under age of 65, we assumed that they will elect a medical plan where the premiums will either be equal or greater than the Kaiser Bay Area Basic Plan rate.

Valuation of Retiree Premium Subsidy Due to Active Health Costs (Implicit Rate Subsidy)

The California PERS (PEMHCA) health plans charge the same premiums for retirees who are not yet eligible for Medicare as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.) GASB 45 requires that the value of this subsidy be recognized as a liability in valuations of OPEB costs. To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent per member per month (PMPM) costs that vary by age based on the age distribution of covered members, and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines™. Based on the carrier premium rates and relative age cost factors assumptions, we developed age adjusted monthly PMPM health costs for 2016 to be used in valuing the implicit rate subsidy.

Age Adjusted Medical PMPM Costs for 2016				
Age	Retirees		Spouses	
	Male	Female	Male	Female
50	745	931	745	931
55	981	1,086	981	1,086
60	1,271	1,278	1,271	1,278
64	1,610	1,475	1,610	1,475

Since premiums for retirees with Medicare are determined without regard to active life experience, no such subsidy exists for this group.

Medical CPI We assumed the PEMHCA minimum will increase 3.5% annually.

Appendix C. Summary of Participant Data

The following census of participants was used in the actuarial valuation and provided by Contra Costa County Employees' Retirement Association. All former employees who do not have at least one hour of service on or after 1/1/2015 are excluded.

Active Employees

Age	Total
Under 25	1
25 – 29	3
30 – 34	4
35 – 39	7
40 – 44	6
45 – 49	11
50 – 54	8
55 – 59	6
60 – 64	4
65 & Over	1
Total	51

Average Age: 48.02
 Average Service on Valuation Date: 12.96



MEMORANDUM

Date: October 7, 2015

To: CCCERA Board of Retirement

From: Christina Dunn, Retirement Admin/HR Manager
Masa Shiohira, Wiley Price and Radulovich, LLP

Subject: Memorandum of Understanding

Background

On July 23, 2015 the Board of Retirement adopted the Memorandum of Understanding (“MOU”) between AFSCME, Local 2700 and CCCERA. Section 7.17 of the MOU referred to an attached side letter agreement “Health, Dental and Vision Re-Opener” which read:

“Effective August 2015, the parties agree to reopen this agreement for the purpose of meeting and conferring for health, vision and dental benefits including the design, plans offered and the payment of monthly premiums starting in plan year 2016.”

CCCERA agrees that for plan year 2016 and 2017 it will not pay less than the amounts being paid by the County of Contra Costa for plan year 2016 and 2017. In the event the County makes a retroactive payment to its employees for plan years prior to 2016, CCCERA will make a similar payment.”

AFSCME, Local 2700 has reached a Tentative Agreement with CCCERA and had a successful ratification vote on September 16, 2015 regarding health, dental and vision benefits for the remainder of the contract period.

Modifications to the attached MOU include:

- Section 17.1 - Modifications to the Medical and Dental providers
- Section 17.2 – Modifications to the monthly premium subsidy and the inclusion of an Internal Revenue Code Section 125 Flexible Benefits Plan. The maximum monthly premium subsidies are:



MEMORANDUM

CalPERS:

<u>Employee Only</u>	<u>Employee + 1</u>	<u>Family</u>
\$746.47	\$1,492.94	\$1,940.82

Delta Dental:

<u>Employee Only</u>	<u>Employee & Spouse</u>	<u>Employee & Children</u>	<u>Family</u>
\$46.21	\$103.72	\$103.41	\$169.38

- Section 17.3 – Modified to reflect requirements under the Public Employees’ Medical and Hospital Care Act (“PEMHCA”).
- Section 17.17 and accompanying side letter agreement – Removed since an agreement was reached in regards the health, dental and vision reopener.
- Section 28.1 – Modified to change vision plan from Contra Costa County to EyeMed.

Recommendation

Consider and take possible action to adopt the Memorandum of Understanding (“MOU”) between Contra Costa County Employees’ Retirement Association and United Clerical, Technical & Specialized Employees (AFSCME), Local 2700, for the period of July 1, 2013 through December 31, 2016 with health, dental and vision modifications and authorize Retirement CEO to execute said MOU.

MEMORANDUM OF UNDERSTANDING

BETWEEN

**Contra Costa County Employees Retirement
Association**

AND

**UNITED CLERICAL, TECHNICAL &
SPECIALIZED
EMPLOYEES**

AFSCME, LOCAL 2700



July 1, 2013 – December 31, 2016

**MEMORANDUM OF UNDERSTANDING
BETWEEN**

**Contra Costa County Employees' Retirement Association
AND
UNITED CLERICAL, TECHNICAL & SPECIALIZED
EMPLOYEES
AFSCME, LOCAL 2700**

This Memorandum of Understanding (MOU) is entered into pursuant to the terms of the Meyers Miliars Brown Act between the Contra Costa County Employees' Retirement Association (herein "CCCERA") and AFSCME Local 2700 (herein the "Union").

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DEFINITIONS

Appointing Authority: Retirement Chief Executive Officer unless otherwise provided by statute or ordinance.

Class: A group of positions sufficiently similar with respect to the duties and responsibilities that similar selection procedures and qualifications may apply and that the same descriptive title may be used to designate each position allocated to the group.

Class Title: The designation given to a class, to each position allocated to the class, and to the employees allocated to the class.

Demotion: The change of a permanent employee to another position in a class allocated to a salary range for which the top step is lower than the top step of the class which the employee formerly occupied except as provided for under "Transfer" or as otherwise provided for in this MOU, in the Personnel Policies, or in specific resolutions.

Eligible: Any person whose name is on an employment or reemployment or layoff list for a given class.

Employee: A person who is an incumbent of a position or who is on leave of absence in accordance with provisions of this MOU and whose position is held pending his/her return.

Employment List: A list of persons who have been found qualified for employment in a specific class.

Layoff List: A list of persons who have occupied positions allocated to a class and who have been involuntarily separated by layoff or displacement, or demoted by displacement, or have voluntarily demoted in lieu of layoff or displacement, or have transferred in lieu of layoff or displacement.

Permanent-Intermittent Position: Any position which requires the services of an incumbent for an indefinite period but on an intermittent basis, as needed, paid on an hourly basis.

Permanent Part-Time Position: Any position which will require the services of an incumbent for an indefinite period but on a regularly scheduled less than full time basis.

Permanent Position: Any position which has required, or which will require, the services of an incumbent without interruption, for an indefinite period.

Project Employee: An employee who is engaged in a time limited program or service, by reason of limited, or restricted funding. Such positions are typically funded from outside sources but may be funded from CCCERA revenues.

Promotion: The change of a permanent employee to another position in a class allocated to a salary range for which the top step is higher than the top step of the class which the employee formerly occupied, except as provided for under "Transfer" or as otherwise provided for in this MOU or in the Personnel Policies.

SECTION 1 - UNION RECOGNITION

Position: The assigned duties and responsibilities calling for the regular full time, part-time or intermittent employment of a person.

Reallocation: The act of reassigning an individual position from one class to another class at the same range of the salary schedule or to a class which is allocated to another range that is within five percent (5%) of the top step, except as otherwise provided for in the Personnel Policies or other ordinances.

Reclassification: The act of changing the allocation of a position by raising it to a higher class or reducing it to a lower class on the basis of significant changes in the kind, difficulty or responsibility of duties performed in such position.

Resignation: The voluntary termination of permanent employment with CCCERA.

Temporary Employment: Any employment which will require the services of an incumbent for a limited period of time, paid on an hourly basis, not in an allocated position or in permanent status.

Transfer: The change of an employee who has permanent status in a position to another position in the same class in a different department, or to another position in a class which is allocated to a range on the salary plan that is within five percent (5%) at top step as the class previously occupied by the employee.

Union: American Federation of State County and Municipal Employees (AFSCME) Local 2700

SECTION 1 - UNION RECOGNITION

SECTION 1 - UNION RECOGNITION

The Union is the formally recognized employee organization for the representation unit listed below.

General Clerical Unit

SECTION 2 - UNION SECURITY

2.1 Dues Deduction.

Only a majority representative may have dues deduction and as such the Union has the exclusive privilege of dues deduction or agency fee deduction for all employees in its unit.

2.2 Agency Shop.

A. The Union agrees that it has a duty to provide fair and non-discriminatory representation to all employees in all classes in the units for which this section is applicable regardless of whether they are members of the Union.

B. All employees employed in a representation unit on or after the effective date of this MOU and continuing until the termination of the MOU, shall as a condition of employment either:

1. Become and remain a member of the Union or;
2. pay to the Union, an agency shop fee in an amount which does not exceed an amount which may be lawfully collected under applicable constitutional, statutory, and case law, which under no circumstances shall exceed the monthly dues, initiation fees and general assessments made during the duration of this MOU. It shall be the sole responsibility of the Union to determine an agency shop fee which meets the above criteria; or
3. do both of the following:
 - a. Execute a written declaration that the employee is a member of a bona fide religion, body or sect which has historically held a conscientious objection to joining or financially supporting any public employee organization as a condition of employment; and
 - b. pay a sum equal to the agency shop fee described in Section 2.2.B.2 to a non-religious, non-labor, charitable fund chosen by the employee from the following charities: Family and Children's Trust Fund, Child Abuse Prevention Council and Battered Women's Alternative.

C. The Union shall provide CCCERA with a copy of the Union's Hudson Procedure for the determination and protest of its agency shop fees. The Union shall provide a copy of said Hudson Procedure to every fee payer covered by this MOU within one (1)

SECTION 2 - UNION SECURITY

month from the date it is approved and annually thereafter, and as a condition to any change in the agency shop fee. Failure by an employee to invoke the Union's Hudson Procedure within one (1) month after actual notice of the Hudson Procedure shall be a waiver by the employee of their right to contest the amount of the agency shop fee.

D. The provisions of Section 2.2.B.2 shall not apply during periods that an employee is separated from the representation unit but shall be reinstated upon the return of the employee to the representation unit. The term separation includes transfer out of the unit, layoff, and leave of absence with a duration of more than thirty (30) days.

E. The Union shall provide the Administrative/Human Resources Manager with copies of a financial report patterned after Form LM-2 pursuant to the Labor Management Disclosure Act of 1959. Such report shall be available to employees in the unit. Failure to file such a report not later than June 1st of each calendar year shall result in the termination of all agency shop fee deductions without jeopardy to any employee, until said report is filed.

F. Compliance.

1. An employee employed in or hired into a job class represented by the Union shall be provided with an "Employee Authorization for Payroll Deduction" form by Human Resources.

2. If the form authorizing payroll deduction is not returned within thirty (30) calendar days after notice of this agency shop fee provision and the union dues, agency shop fee, initiation fee or charitable contribution required under Section 2.2.B.3 are not received, the Union may, in writing, direct that CCCERA withhold the agency shop fee and the initiation fee from the employee's salary, in which case the employee's monthly salary shall be reduced by an amount equal to the agency shop fee and CCCERA shall pay an equal amount to the Union.

G. The Union shall indemnify, defend, and save CCCERA harmless against any and all claims, demands, suits, orders, or judgments, or other forms of liability that arise out of or by reason of this union security section, or action taken or not taken by CCCERA under this Section. This includes, but is not limited to, CCCERA's Attorneys' fees and costs. The provisions of this subsection shall not be subject to the grievance procedure.

H. The Human Resources Department shall monthly furnish a list of all new hires to the Union.

I. In the event that employees in a bargaining unit represented by the Union vote to rescind Agency Shop, the provisions of Section 2.3 and 2.4 shall apply to dues-paying members of the Union.

2.3 Maintenance of Membership.

All employees in units represented by the Union who are currently paying dues to the Union and all employees in such units who hereafter become members of the Union shall as a condition of continued employment pay dues to the Union for the duration of

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this MOU and each year thereafter so long as the Union continues to represent the position to which the employee is assigned, unless the employee has exercised the option to cease paying dues in accordance with Section 2.5.

2.4 Union Dues Form.

Employees hired into classifications represented by the Union shall, as a condition of employment, complete a Union dues authorization card provided by the Union and shall have deducted from their paychecks the membership dues of the Union. Said employees shall have thirty (30) days from the date of hire to decide if he/she does not want to become a member of the Union. Such decision not to become a member of the Union must be made in writing to CCCERA Human Resources within said thirty (30) day period. If the employee decides not to become a member of the Union, any Union dues previously deducted from the employee's paycheck shall be returned to the employee and said amount shall be deducted from the next dues deduction check sent to the Union. If the employee does not notify CCCERA in writing of the decision not to become a member within the thirty (30) day period, he/she shall be deemed to have voluntarily agreed to pay the dues of the Union.

Each such dues authorization form referenced above shall include a statement that the Union and CCCERA have entered into a MOU, that the employee is required to authorize payroll deductions of Union dues as a condition of employment, and that such authorization may be revoked within the first thirty (30) days of employment upon proper written notice by the employee within said thirty (30) day period as set forth above. Each such employee shall, upon completion of the authorization form, receive a copy of said authorization form which shall be deemed proper notice of his/her right to revoke said authorization.

2.5 Withdrawal of Membership.

By notifying CCCERA Human Resources in writing, between August 1 and August 31 any employee may withdraw from Union membership and discontinue paying dues as of the payroll period, commencing September 1; discontinuance of dues payments to then be reflected in the October 10. Immediately upon close of the above mentioned thirty (30) day period, CCCERA Human Resources shall submit to the Union a list of the employees who have rescinded their authorization for dues deduction.

2.6 Communicating With Employees.

The Union shall be allowed to use designated portions of bulletin boards or display areas in public portions of offices in which there are employees represented by the Union, provided the communications displayed have to do with matters within the scope of representation and further provided that the employee organization appropriately posts and removes the information. CCCERA reserves the right to remove objectionable materials after consultation with the Union.

Representatives of the Union, not on CCCERA time, shall be permitted to place a supply of employee literature at specific locations in CCCERA buildings if arranged

SECTION 2 - UNION SECURITY

through CCCERA Human Resources or designated representative; said representatives may distribute employee organization literature in work areas (except work areas not open to the public) if the nature of the literature and the proposed method of distribution are compatible with the work environment and work in progress. Such placement and/or distribution shall not be performed by on-duty employees.

The Union shall be allowed access to work locations in which it represents employees for the following purposes:

- a. to post literature on bulletin boards;
- b. to arrange for use of a meeting room;
- c. to leave and/or distribute a supply of literature as indicated above;
- d. to represent an employee on a grievance, and/or to contact a union officer on a matter within the scope of representation.

In the application of this provision, it is agreed and understood that in each such instance advance arrangements, including disclosure of which of the above purposes is the reason for the visit, will be made with the CCCERA representative in charge of the work area, and the visit will not interfere with CCCERA services.

2.7 Use of CCCERA Facilities.

- A. Exclusively recognized employee organizations shall be allowed to use specific meeting areas at CCCERA facilities for official business of the employee organizations. Such use shall not occur during regular business hours, shall not result in additional cost to CCCERA, and shall not interfere with CCCERA operations. An exclusively recognized employee organization desiring to use CCCERA's facilities shall apply for such use on a form approved by the Chief Executive Officer or his/her designee at least one business day prior to the date of the requested use. This provision does not limit the employee organization from using CCCERA's facility for day-to-day meetings with employees to investigate or enforce provisions of the MOU or Personnel Policies, or to meet with employees to update them regarding bargaining status.
- B. Exclusively recognized employee organizations may use designated bulletin board space to post official business of the employee organization. Inappropriate or offensive material will not be permitted. Material that is deemed inappropriate shall be removed from the bulletin board, and the recognized employee organization shall be immediately notified. CCCERA agrees to discuss with the recognized employee organization the reason(s) that the material was inappropriate. CCCERA shall not act unreasonably in deciding if material is appropriate.
- C. The authorized representative of an exclusively recognized employee organization shall have the right to come onto CCCERA's premises to ensure that the terms of the MOU are being followed. The authorized representative shall notify the Chief Executive Officer or his/her designee at the time he or she comes onto CCCERA's premises for the purpose of ensuring that the terms of the MOU are being followed. The authorized representative shall not meet with or otherwise disrupt employees

SECTION 3 - NO DISCRIMINATION/HARASSMENT

during their work time without the approval of the Chief Executive Officer or his/her designee.

D. Nothing in this section shall be interpreted as permitting any employee organization or any unit employee to use CCCERA's internal mail system, its facsimile machines, or CCCERA's voice or electronic mail systems for any purpose other than the normal business of CCCERA.

2.8 Advance Notice.

The Union shall, except in cases of emergency, have the right to reasonable notice of any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by the CCCERA and to meet with the CCCERA regarding this matter.

The listing of an item on a public agenda, or the mailing of a copy of a proposal at least seventy-two (72) hours before the item will be heard, or the delivery of a copy of the proposal at least twenty-four (24) hours before the item will be heard, shall constitute notice.

In cases of emergency when CCCERA, determines it must act immediately without such notice or meeting, it shall give notice and opportunity to meet as soon as practical after its action.

2.9 Written Statement for New Employees.

CCCERA will provide a written statement to each new employee hired into a classification in any of the bargaining units represented by the Union, that the employee's classification is represented by the Union and the name of a representative of the Union. CCCERA will provide the employee with a packet of information which has been supplied by the Union and approved by CCCERA.

2.10 P.E.O.P.L.E.

Employees in classifications represented by United Clerical, Technical & Specialized Employees, Local 2700, AFSCME may make a voluntary, monetary monthly contribution to P.E.O.P.L.E., said contributions to be deducted from employees' pay by CCCERA and remitted to AFSCME, P.E.O.P.L.E. (Public Employees Organized to Promote Legislative Equality).

SECTION 3 - NO DISCRIMINATION/HARASSMENT

There shall be no discrimination because of sex, race, creed, color, national origin, sexual orientation or union activities against any employee or applicant for employment by CCCERA or by anyone employed by CCCERA; and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age. There shall be no discrimination against any disabled person solely because of such disability. There shall be no discrimination because of Union membership or

SECTION 4 - SHOP STEWARDS / OFFICIAL REPRESENTATIVES

legitimate Union activity against any employee or applicant for employment by CCCERA or anyone employed by CCCERA.

CCCERA agrees to abide by its Anti-Harassment Policy.

3.1 Americans With Disabilities Act (ADA).

CCCERA and the Union recognize that CCCERA has an obligation to reasonably accommodate disabled employees. If by reason of the aforesaid requirement CCCERA contemplates actions to provide reasonable accommodation to an individual employee in compliance with the ADA which are in conflict with any provision of this MOU, the Union will be advised of such proposed accommodation. Upon request, CCCERA will meet and confer with the Union on the impact of such accommodation. If CCCERA and the Union do not reach agreement, CCCERA may implement the accommodation if required by law without further negotiations. Nothing in this MOU shall preclude CCCERA from taking actions necessary to comply with the requirements of ADA.

SECTION 4 - SHOP STEWARDS / OFFICIAL REPRESENTATIVES

4.1 Attendance at Meetings.

Employees designated as shop stewards or official representatives of the Union shall be allowed to attend meetings held by CCCERA during regular working hours on CCCERA time as follows:

- a. if their attendance is required by CCCERA at a specific meeting, including meetings of the Board of Retirement.
- b. if their attendance is sought by a hearing body or presentation of testimony or other reasons;
- c. if their attendance is required for a meeting necessary for settlement of grievances filed pursuant to Section 22 - Grievance Procedure of this MOU and scheduled at reasonable times agreeable to all parties;
- d. if they are designated as a shop steward, in which case they may utilize a reasonable time at each level of the proceedings to assist an employee to present a grievance provided the meetings are scheduled at reasonable times agreeable to all parties;
- e. if they are designated as spokesperson or representative of the Union and as such make representations or presentations at meetings or hearings on wages, salaries and working conditions provided in each case advance arrangements for time away from the employee's work station or assignment are made with the appropriate Department Manager, and CCCERA calling the meeting is

responsible for determining that the attendance of the particular employee(s) is required;

- f. to attend examination appeal board hearings to assist an employee in making a presentation.

4.2 Union Representatives.

Official representatives of the Union shall be allowed time off on CCCERA time for meetings during regular working hours when formally meeting and conferring in good faith or consulting with the Administrative/Human Resources Manager or other management representatives on matters within the scope of representation, provided that advance arrangements for the time away from the work station or assignment are made with the appropriate Department Manager.

Shop stewards and union officials shall advise, as far in advance as possible, their immediate supervisor, or his/her designee, of their intent to engage in Union business. All requests for release time shall include the location, the estimated time needed and the general nature of the Union business involved (e.g., grievance meeting, Skelly hearing).

4.3 Release Time For Training.

CCCERA shall provide the Union a maximum of 320 total hours per year of release time for union designated stewards or officers to attend union-sponsored training programs. Requests for release time shall be provided in writing to CCCERA at least fifteen (15) days in advance of the time requested. CCCERA will reasonably consider each request and notify the affected employee whether such request is approved, within one (1) week of receipt.

SECTION 5 – SALARIES

5.1 General Wages.

A.

1. Effective on June 1, 2014, the base rate of pay for all classifications represented by the Union will be increased by four percent (4%).

Contra Costa County will make a lump sum wage payment to each eligible employee, without back interest, for the period of June 1, 2014, through and including July 31, 2014. Eligible employees are those who are employed by the Contra Costa County in a classification represented by the Union between June 1, 2014, and July 31, 2014, including employees who retire, terminate, or promote during that time period.

The lump sum wage payment will be determined by taking the employee's regular pay and hourly-based earnings (including overtime pay and other earnings that are

SECTION 5 – SALARIES

computed as a percentage of base pay) added together for each applicable pay period to determine an appropriate pay base amount. This pay base amount then will be multiplied by four percent (4%). The product of that calculation will be added to the employee's September 10, 2014, paycheck where it will be listed separately as "Lump Sum Pay." The lump sum wage pay amount will then be included in the calculation of the employee's required deductions such as taxes, wage garnishments, and retirement.

2. Effective July 1, 2015, the base rate of pay for all classifications represented by the Union will be increased by three percent (3%).
3. Effective July 1, 2016, the base rate of pay for all classifications represented by the Union will be increased by three percent (3%).
4. Lump Sum Ratification Payments:

Permanent Employees. Permanent full-time employees, including project employees, who meet all of the following criteria will be paid lump sum ratification payments of seven hundred and fifty dollars (\$750) each on August 8, 2014, and on June 10, 2015, and five hundred dollars (\$500) on July 10, 2016. Permanent part-time employees, including project employees, who meet all of the following criteria will be paid a prorated lump sum ratification payment. The prorated lump sum payment for permanent part-time employees will be calculated by multiplying the lump sum amount by the employee's approved position hours over forty hours (for example: $\$750 \times (20/40) = \375).

Criteria:

- i. For the payment on August 8, 2014: The employee must be employed by Contra Costa County in a classification represented by the Union on July 1, 2014.
 - ii. For the June 10, 2015 payment: The employee must be employed by CCCERA in a classification represented by the Union on May 1, 2015.
 - iii. For the July 10, 2016 payment: The employee must be employed by CCCERA in a classification represented by the Union on June 1, 2016.
 - iv. Temporary, employees are not eligible for the lump sum payments.
- B. Longevity Pay: Employees at ten (10) years of Contra Costa County/CCCERA service shall receive a two and one-half percent (2.5%) longevity pay differential.

5.2 Entrance Salary.

New employees shall generally be appointed at the minimum step of the salary range established for the particular class of position to which the appointment is made. However, the appointing authority may fill a particular position at a step above the minimum of the range.

5.3 Anniversary Dates. Anniversary dates will be set as follows:

- A. New Employees. The anniversary date of a new employee is the first day of the calendar month after the calendar month when the employee successfully completes six (6) months service provided however, if an employee began work on the first regularly scheduled workday of the month the anniversary date is the first day of the calendar month when the employee successfully completes six (6) months service.
- B. Promotions. The anniversary date of a promoted employee is determined as for a new employee in Subsection 5.4.A above.
- C. Demotions. The anniversary of a demoted employee is the first day of the calendar month after the calendar month when the demotion was effective.
- D. Transfer, Reallocation and Reclassification. The anniversary date of an employee who is transferred to another position or one whose position has been reallocated or reclassified to a class allocated to the same salary range or to a salary range which is within five percent (5%) of the top step of the previous classification, remains unchanged.
- E. Reemployments. The anniversary of an employee appointed from a reemployment list to the first step of the applicable salary range and not required to serve a probation period is determined in the same way as the anniversary date is determined for a new employee who is appointed the same date, classification and step and who then successfully completes the required probationary period.

5.4 Increments Within Range.

The performance of each employee, except those of employees already at the maximum salary step of the appropriate salary range, shall be reviewed on the anniversary date as set forth in Section 5.3 to determine whether the salary of the employee shall be advanced to the next higher step in the salary range. Advancement shall be granted on the affirmative recommendation of the appointing authority, based on satisfactory performance by the employee. The appointing authority may recommend denial of the increment or denial subject to one additional review at some specified date before the next anniversary, such date to be set at the time the original report is returned. This decision may be appealed through the Grievance Procedure.

Except as herein provided, increments within range shall not be granted more frequently than once a year, nor shall more than one (1) step within-range increment be granted at one time. In case an appointing authority recommends denial of the within range increment on some particular anniversary date, but recommends a special salary review at some date before the next anniversary the special salary review shall not affect the regular salary review on the next anniversary date. Nothing herein shall be construed to

SECTION 5 – SALARIES

make the granting of increments mandatory on CCCERA. If a department verifies in writing that an administrative or clerical error was made in failing to submit the documents needed to advance an employee to the next salary step on the first of the month when eligible, said advancement shall be made retroactive to the first of the month when eligible.

5.5 Part-Time Compensation.

A part-time employee shall be paid a monthly salary in the same ratio to the full time monthly rate to which the employee would be entitled as a full time employee under the provisions of this Section 5 as the number of hours per week in the employee's part-time work schedule bears to the number of hours in the full time work schedule of the department.

5.6 Compensation for Portion of Month.

Any employee who works less than any full calendar month, except when on earned vacation or authorized sick leave, shall receive as compensation for services an amount which is in the same ratio to the established monthly rate as the number of days worked is to the actual working days in such employee's normal work schedule for the particular month; but if the employment is intermittent, compensation shall be on an hourly basis, which is calculated on the number of hours in the month worked plus five percent (5%) above the salary step earned.

5.7 Position Reclassification.

An employee who is an incumbent of a position which is reclassified to a class which is allocated to the same range of the basic salary schedule as is the class of the position before it was reclassified, shall be paid at the same step of the range as the employee received under the previous classification.

An incumbent of a position which is reclassified to a class which is allocated to a lower range of the basic salary schedule shall continue to receive the same salary as before the reclassification, but if such salary is greater than the maximum of the range of the class to which the position has been reclassified, the salary of the incumbent shall be reduced to the maximum salary for the new classification. The salary of an incumbent of a position which is reclassified to a class which is allocated to a range of the basic salary schedule greater than the range of the class of the position before it was reclassified shall be governed by the provisions of Section 5.9 - Salary on Promotion.

5.8 Salary Reallocation & Salary on Reallocation.

A. In a general salary increase or decrease, an employee in a class which is reallocated to a salary range above or below that to which it was previously allocated, when the number of steps remain the same, shall be compensated at the same step in the new salary range the employee was receiving in the range to which the class was previously allocated. If the reallocation is from one salary range with more steps to a range with fewer steps or vice versa, the employee

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shall be compensated at the step on the new range which is in the same percentage ratio to the top step of the new range as was the salary received before reallocation to the top step of the old range, but in no case shall any employee be compensated at less than the first step of the range to which the class is allocated.

- B. In the event that a classification is reallocated from a salary range with more steps to a salary range with fewer steps on the salary schedule, apart from the general salary increase or decrease described in Section 5.8.A above, each incumbent of a position in the reallocated class shall be placed upon the step of the new range which equals the rate of pay received before the reallocation. In the event that the steps in the new range do not contain the same rates as the old range, each incumbent shall be placed at the step of the new range which is next above the salary rate received in the old range, or if the new range does not contain a higher step, at the step which is next lower than the salary received in the old range.

- C. In the event an employee is in a position which is reallocated to a different class which is allocated to a salary range the same as, or above or below the salary range of the employee's previous class, the incumbent shall be placed at the step in the new class which equals the rate of pay received before reallocation. In the event that the steps in the range for the new class do not contain the same rates as the range for the old class, the incumbent shall be placed at the step of the new range which is next above the salary rate received in the old range; or if the new range does not contain a higher step, the incumbent shall be placed at the step which is next lower than the salary received in the old range.

5.9 Salary on Promotion.

Any employee who is appointed to a position of a class allocated to a higher salary range than the class previously occupied, except as provided under Section 5.12, shall receive the salary in the new salary range which is next higher than the rate received before promotion. In the event this increase is less than five percent (5%), the employee's salary shall be adjusted to the step in the new range which is at least five percent (5%) greater than the next higher step; provided, however, that the next step shall not exceed the maximum salary for the higher class. In the event of the appointment of a laid off employee from the layoff list to the class from which the employee was laid off, the employee shall be appointed at the step which the employee had formerly attained in the higher class unless such step results in a decrease in which case the employee is appointed to the next higher step. If however, the employee is being appointed into a class allocated to a higher salary range than the class from which the employee was laid off, the salary will be calculated from the highest step the employee achieved prior to layoff, or from the employee's current step, whichever is higher.

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5.10 Salary on Involuntary Demotion.

Any employee who is demoted, except as provided under Section 5.11, shall have his/her salary reduced to the monthly salary step in the range for the class of position to which he/she has been demoted next lower than the salary received before demotion. In the event this decrease is less than five percent (5%), the employee's salary shall be adjusted to the step in the new range which is five percent (5%) less than the next lower step; provided, however, that the next step shall not be less than the minimum salary for the lower class.

Whenever the demotion is the result of layoff, cancellation of positions or displacement by another employee with greater seniority rights, the salary of the demoted employee shall be that step on the salary range which he/she would have achieved had he/she been continuously in the position to which he/she has been demoted, all within-range increments having been granted.

5.11 Salary on Voluntary Demotion.

Whenever any employee voluntarily demotes to a position in a class having a salary range lower than that of the class from which he or she demotes, his or her salary shall remain the same if the steps in his or her new (demoted) salary range permit, and if not, the new salary shall be set at the step next below former salary.

5.12 Transfer.

An employee who is transferred from one position to another as described under "Transfer" shall be placed at the step in the salary range of the new class which equals the rate of pay received before the transfer. In the event that the steps in the range for the new class do not contain the same rates as the range for the old class, the employee shall be placed at the step of the new range which is next above the salary rate received in the old range; or if the new range does not contain a higher step, the employee shall be placed at the step which is next lower than the salary received in the old range.

5.13 Pay for Work in Higher Classification.

When an employee in a permanent position is required to work in a classification for which the compensation is greater than that to which the employee is regularly assigned, the employee shall receive compensation for such work at the rate of pay established for the higher classification pursuant to Subsection 5.9 - Salary on Promotion of this Memorandum, at the start of the second full day in the assignment, under the following conditions. Payment shall be made retroactive after completing the first forty (40) consecutive hours worked in the higher classification.

- A. The employee is assigned to a program, service, or activity established by CCCERA which is reflected in an authorized position which has been classified and assigned to the Salary Schedule.

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- B. The nature of the departmental assignment is such that the employee in the lower classification performs a majority of the duties and responsibilities of the position of the higher classification.
- C. Employee selected for the assignment will normally be expected to meet the minimum qualifications for the higher classification.
- D. CCCERA shall make reasonable efforts to offer out of class assignments to all interested employees on a voluntary basis. Pay for work in a higher classification shall not be utilized as a substitute for regular promotional procedures provided in this MOU.
- E. Higher pay assignments shall not exceed six (6) months except through reauthorization.
- F. If approval is granted for pay for work in a higher classification and the assignment is terminated and later re-approved for the same employee within one-hundred-eighty (180) days, no additional waiting period will be required.
- G. Any incentives (e.g., the education incentive) and special differentials (e.g., bilingual differential and hazardous duty differential) accruing to the employee in his/her permanent position shall continue.
- H. During the period of work for higher pay in a higher classification, an employee will retain his/her permanent classification, and anniversary and salary review dates will be determined by time in that classification; except that if the period of work for higher pay in a higher classification exceeds one year continuous employment, the employee, upon satisfactory performance in the higher classification, shall be eligible for a salary review in that class on his/her next anniversary date. Notwithstanding any other salary regulations, the salary step placement of employees appointed to the higher class immediately following termination of the assignment shall remain unchanged.
- I. Allowable overtime pay, shift differential and/or work location differentials will be paid on the basis of the rate of pay for the higher class.

5.14 Deferred Compensation Plan

- A. **Special Benefit for Hires after January 1, 2010.** Commencing April 1, 2010 and for the duration of this Agreement, CCCERA will contribute one hundred fifty dollars (\$150) per month to an employee's account in the Contra Costa County

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Deferred Compensation Plan or other designated tax qualified savings vehicle, for employees who meet all of the following qualifications:

1. The employee was first hired by Contra Costa County/CCCERA on or after January 1, 2010 and,
2. The employee is not eligible for a monthly premium subsidy for health and/or dental upon retirement as set forth in Section 17.3.
3. The employee is a permanent full-time or permanent part-time employee regularly scheduled to work at least twenty (20) hours per week and has been so employed for at least ninety (90) calendar days; and,
4. The employee defers a minimum of twenty-five dollars (\$25) per month to the Contra Costa County Deferred Compensation Plan or other designated tax qualified savings vehicle; and,
5. The employee has completed, signed, and submitted to CCCERA, the required enrollment form for the account, e.g., the Enrollment Form 457(b).
6. The annual maximum contribution as defined under the relevant Internal Revenue Code provision has not been exceeded for the employee's account for the calendar year.

Employees who discontinue deferral or who defer less than the amount required by this provision for a period of one (1) month or more will no longer be eligible to receive CCCERA contribution. To re-establish eligibility, employees must resume deferring the amount required by this provision.

No amount deferred by the employee or contributed by CCCERA in accordance with this provision will count towards the "Base Contribution Amount" or the "Monthly Base Contribution Amount for Maintaining Program Eligibility" required for CCCERA's Deferred Compensation Incentive in any other provision in this agreement. No amount deferred by the employee or contributed by CCCERA in accordance with any other provision in this Agreement will count toward the minimum required deferral required by this provision. CCCERA's contribution amount in accordance with this provision will be in addition to CCCERA contribution amount for which the employee may be eligible in accordance with any other provision in this contract.

Both the employee deferral and CCCERA contribution to the Contra Costa County Deferred Compensation Plan under this provision, as well as any amounts deferred or contributed to the Contra Costa County Deferred Compensation Plan in accordance with any other provision of this contract, will be added together for the purpose of ensuring that the annual Plan maximum contributions as defined under IRS Code Section 457(b), or other tax qualified designated savings vehicle, are not exceeded.

B. Loan Provision: The Deferred Compensation Plan Loan Program is effective September 1, 2012. The following is a summary of the provisions of the loan program:

1. The minimum amount of the loan is \$1,000

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2. The maximum amount of the loan is the lesser of 50% of the employee's balance or \$50,000, or as otherwise provided by law.
3. The maximum amortization period of the loan is five (5) years.
4. The loan interest is fixed at the time the loan is originated and for the duration of the loan. The loan interest rate is the prime rate plus one percent (1%).
5. There is no prepayment penalty if an employee pays the balance of the loan plus any accrued interest before the original amortization period for the loan.
6. The terms of the loan may not be modified after the employee enters into the loan agreement, except as provided by law.
7. An employee may have only one loan at a time.
8. Payment for the loan is made by monthly payroll deduction.
9. An employee with a loan who is not in paid status (e.g. unpaid leave of absence) may make his/her monthly payments directly to the Plan Administrator by some means other than payroll deduction each month the employee is in an unpaid status (e.g. by a personal check or money order).
10. The Loan Administrator (MassMutual Life Insurance Company or its successor) charges a one-time \$50 loan initiation fee. This fee is deducted from the employee's Deferred Compensation account.
11. CCCERA charges a one-time \$25 loan initiation fee and a monthly maintenance fee of \$1.50. These fees are paid by payroll deduction.

Contra Costa County's website provides employees with additional information on the deferred compensation loan program.

5.15 Payment.

- A. Through December 2015 (or so long as the County continues to process payroll) payment shall be as follows:

On the tenth (10th) day of each month, CCCERA pay to each employee the amount of salary due the employee for the preceding month; provided, however, that each employee (except those paid on an hourly rate) may choose to receive an advance on the employee's monthly salary, in which case CCCERA shall, on the twenty-fifth (25th) day of each month, pay to that employee an advance as set forth below.

The advance shall be in an amount equal to one-third (1/3) or less, at the employee's option, of the employee's basic salary of the previous month except that it shall not exceed the amount of the previous month's basic salary less all requested or required deductions.

An election to receive or discontinue an advance shall not be made more than twice in any calendar year or during the first month of employment by filing forms prepared by CCCERA.

SECTION 6 – DAYS AND HOURS OF WORK

Each election shall become effective on the first day of the month following the deadline for filing the notice and shall remain effective until revoked.

In the case of an election made pursuant to this Section, all required or requested deductions from salary shall be taken from the second installment, which is payable on the tenth (10th) day of the following month.

- B. Effective January 2016 (or when CCCERA begins to process its own payroll), payments will be provided on a semi-monthly basis for a total of 24 payments annually. Payment will be based on actual hours worked and any accruals charged. Deductions will be divided in half each month. Retirement contributions will be based on the employee's monthly salary plus retirement compensable differentials.

5.16 Pay Warrant Errors.

If an employee observes an error on his or her check, they should report it immediately to the payroll contact. If it is determined that an improper deduction has occurred or an error has been made, the employee will be promptly reimbursed for any improper deductions. Payment errors shall be made retroactive for a maximum of two years immediately preceding discovery of the payment error.

When CCCERA notifies an employee of an overpayment and a proposed repayment schedule, the employee may accept the proposed repayment schedule or may request a meeting through Human Resources. If requested, a meeting shall be held to determine a repayment schedule that shall be no longer than one and one-half times the length of time the overpayment occurred.

5.17 Compensation Complaints.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with CCCERA Human Resources. Only complaints which allege that employees are not being compensated in accordance with the provisions of this MOU shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process, if not detailed in the MOU which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next opened for such discussion. No adjustment shall be retroactive for more than two (2) years from the date upon which the complaint was filed.

SECTION 6 – DAYS AND HOURS OF WORK

6.1 Definitions

- A. **Regular Work Schedule.** A regular work schedule is eight (8) hours per day, Monday through Friday, inclusive, for a total of forty (40) hours per week.

SECTION 6 – DAYS AND HOURS OF WORK

- B. **Flexible Work Schedule.** A flexible work schedule is any schedule that is not a regular, alternate, or 4/10 work schedule and where the employee is not scheduled to work more than 40 hours in the “workweek” as defined in Subsections E. and F., below.

- C. **4/10 Work Schedule.** A 4/10 work schedule is four (4) ten hour days in a seven (7) day period, for a total of forty (40) hours per week.

- D. **Workweek for Employees on Regular, Flexible, and 4/10 Work Schedules.** For employees on regular, alternate, flexible, and 4/10 work schedules, the workweek begins at 12:01 a.m. on Monday and ends at 12 midnight on Sunday.

6.2 Four/Ten (4/10) Shifts.

If CCCERA wants to eliminate any existing 4/10 shift and substitute a 5/40 shift or to institute a 4/10 shift which does not allow for three (3) consecutive days off (excluding overtime days or a change of shift assignment), or change existing work schedules or existing hours of work, it will meet and confer with the Union prior to implementing said new shift or hours change. This obligation does not apply where there is an existing system for reassigning employees to different shifts or different starting/stopping times. Nothing herein prohibits affected employees and their supervisor from mutually agreeing on a change in existing hours of work provided other employees are not adversely impacted.

The following represents guidelines of a 4-10 Work Schedule Plan.

Office hours will remain 8 a.m. to 5 p.m.

The 5-40 schedule currently in effect will be maintained; i.e., start times, end times and meal periods.

If there are not sufficient employee volunteers for the 5-40 plan – employees will be assigned on the basis of inverse seniority, except that once assigned or volunteered to the 5-40 plan no employee may bump another employee on basis of seniority.

Supervisors are responsible for providing adequate coverage in their section, and will, therefore, be responsible for approval or denial of employees’ work schedules. The supervisor is also responsible for recommending an employee’s return to the 5-40 schedule if an employee’s performance becomes a concern because of the 4-10 plan. It is understood that any individual employee’s schedule may be changed due to the needs of the department. In addition, in the event coverage within a department becomes temporarily reduced; an employee’s schedule may need to be temporarily changed. The union will be notified of any changes to an employee’s work schedule when initiated by the employee’s supervisor.

All employees will receive a copy of the 4-10 Plan guidelines prior to its implementation.

SECTION 7 – OVERTIME AND COMPENSATORY TIME

The 4-10 Plan will have schedules with a start time of 7:00 a.m and an end time of 5:30 p.m. All must include at least ½ hour for lunch.

Schedules are to be established two months in advance if possible to allow for adequate planning.

Any switch back to the 5-40 schedule from the 4-10 Plan should occur after the completion of a 4-10 cycle.

If a holiday falls on an employee's scheduled day off the employee is entitled to take 8 hours off in recognition of the holiday without a loss in pay. The employee is also entitled to receive flexible compensatory time or pay at the rate of 1.0 times his/her base rate of pay.

If a holiday falls on a ten-hour workday, the employee will be charged two hours of vacation or personal holiday time. If the employee does not have any vacation/personal holiday accruals, a deduction will be made from the employee's pay. At the supervisor's discretion, this time may be made up.

Time spent on sick leave and vacation leave will be charged on an hour-for-hour basis; i.e., if an employee takes leave on a scheduled ten-hour day, he/she will be charged ten hours of leave time.

Participants in the 4-10 Plan may not use accruals on their scheduled day off.

Participants in the 4-10 Plan will receive an alternate day-off within the same work week for approved voluntary training on their scheduled day off.

6.3 Written Schedules.

CCCERA shall prepare written schedules in advance to support all deviations and encompassing the complete operational cycle contemplated.

6.4 Flex-Time.

Flex-time may be applied to CCCERA clerical employees. Nothing contained in this MOU prohibits CCCERA from implementing a flex-time system for clerical employees. The CEO or designee prior to implementation shall discuss the implementation of any flex-time system involving employees represented by the Union with the Union. Then CCCERA shall determine if said flex-time is feasible following a trial period. Upon written request to the CEO or designee the Union may request to meet with CCCERA for the purpose of proposing an alternate flexible work schedule.

SECTION 7 – OVERTIME AND COMPENSATORY TIME

7.1 Overtime.

A. Permanent full-time and part-time employees are eligible to receive overtime pay

SECTION 7 – OVERTIME AND COMPENSATORY TIME

or overtime compensatory time off for any authorized work performed:

1. in excess of forty (40) hours per week; or
2. in excess of eight (8) hours per day and that exceed the employee's daily number of scheduled hours. For example, an employee who is scheduled to work ten (10) hours per day and who works eleven (11) hours on a particular day would be entitled to one (1) hour of overtime.

Work performed does not include non-worked hours. Overtime pay is compensated at the rate of one and one-half (1-1/2) times the employee's base rate of pay. Any special differentials that are applicable during overtime hours worked will be computed on the employee's base rate of pay, not on the overtime rate of pay.

Overtime for permanent employees is earned and credited in a minimum of one-half hour increments and is compensated by either pay or compensatory time off.

- B. Temporary employees are eligible to receive overtime pay for any authorized work performed in excess of forty (40) hours per week or in excess of eight (8) hours per day. Work performed does not include non-worked hours. Overtime pay is compensated at the rate of one and one-half (1.5) times the employee's hourly base rate of pay (not including shift or any other special differentials). Any special differentials that are applicable during overtime hours worked will be computed on the employee's base hourly rate of pay, not on the overtime rate of pay.
- C. Overtime Distribution: Overtime will be offered on a rotational basis beginning with the most senior qualified person and will rotate down the list of all employees in the classification who normally perform the work in the Department or Division as determined by the appointing authority or designee. If the assignment requiring overtime is continuous, the overtime will be offered on the above-described rotational basis to permit all eligible employees the opportunity to work overtime. If there are no volunteers, overtime will be assigned in inverse order of seniority and will rotate up the list of employees.

7.2 Compensatory Time.

Employees may periodically elect to accrue compensatory time off in lieu of overtime pay. Eligible employees must notify CCCERA in advance of the intention to accrue compensatory time off rather than receive overtime pay

- A. Compensatory time off shall be accrued at the rate of one and one-half (1-1/2) times the actual authorized overtime hours worked by the employee.
- B. Employees may not accrue a compensatory time off balance that exceeds one hundred twenty (120) hours (i.e., eighty (80) hours at time and one-half). Once the maximum balance has been attained, authorized straight time and overtime hours will be paid at the applicable straight time or overtime rate. If the employee's balance falls below one hundred twenty (120) hours, the employee shall again

SECTION 7 – OVERTIME AND COMPENSATORY TIME

accrue compensatory time off for authorized straight time and overtime hours worked until the employee's balance again reaches one hundred twenty (120) hours.

- C. Accrued compensatory time off shall be carried over for use in the next fiscal year; however, as provided in d. above, accrued compensatory time off balances may not exceed one hundred twenty (120) hours.
- D. Employees may not use more than one hundred twenty (120) hours of compensatory time off in any year period (January 1 – December 31).
- E. The use of accrued compensatory time off shall be by mutual agreement between CCCERA and the employee. Compensatory time off shall not be taken when the employee would be replaced by another employee who would be eligible to receive, for time worked, either overtime payment or compensatory time accruals as provided for in this Section. This provision may be waived at the discretion of CCCERA.
- F. When an employee promotes, demotes or transfers from one classification eligible for compensatory time off to another classification eligible for compensatory time off, the employee's accrued compensatory time off balance will be carried forward with the employee.
- G. Compensatory time accrual balances will be paid off when an employee moves from one classification eligible for compensatory time off to a classification that is not eligible for compensatory time off. Said payoff will be made in accordance with the provisions and salary of the class from which the employee is promoting, demoting or transferring as set forth below.
- H. CCCERA will establish timekeeping procedures to administer this Section.

7.3 Fair Labor Standards Act Provisions.

The Fair Labor Standards Act, as amended, may govern certain terms and conditions of the employment of employees covered by this MOU. It is anticipated that compliance with the Act may require changes in some of CCCERA policies and practices currently in effect or agreed upon. If it is determined by CCCERA that certain working conditions, including but not limited to work schedules, hours of work, method of computing overtime, overtime pay, and compensatory time off entitlements or use, must be changed to conform with the Fair Labor Standards Act, such terms and conditions of employment shall not be controlled by this MOU but shall be subject to modification by CCCERA to conform to the Federal Law without further meeting and conferring. CCCERA shall notify the Union (employee organizations) and will meet and confer with said organization regarding the implementation of such modifications.

SECTION 8 – FLEXIBLY STAFFED

SECTION 8 – FLEXIBLY STAFFED

CCCERA shall continue to provide for flexible staffing for all positions in the following classes:

Flexibly Staffed Positions

- Retirement Accounting Specialist I
- Retirement Accounting Specialist II
- Retirement Accounting Specialist III
- Retirement Counselor I
- Retirement Counselor II
- Retirement Counselor III

SECTION 9 - SENIORITY, WORKFORCE REDUCTION, LAYOFF, & REASSIGNMENT

9.1 Workforce Reduction.

In the event that funding reductions or shortfalls in funding occur in a department or are expected, which may result in layoffs, CCCERA will notify the union and take the following actions:

- A. Identify the classification(s) in which position reductions may be required due to funding reductions or shortfalls.
- B. Advise employees in those classifications that position reductions may occur in their classifications.
- C. Accept voluntary leaves of absence from employees in those classifications which do not appear to be potentially impacted by possible position reductions when such leaves can be accommodated by CCCERA.
- D. Consider employee requests to reduce their position hours from full time to part time to alleviate the impact of the potential layoffs.
- E. Approve requests for reduction in hours, lateral transfers, and voluntary demotions to vacant, funded positions in classes not scheduled for layoffs within CCCERA.
- F. When it appears to CCCERA that it may take action which will result in the layoff of employees in the representation unit, CCCERA shall notify the Union of the possibility of such layoffs and shall meet and confer with it regarding the implementation of the action.

SECTION 9 - SENIORITY, WORKFORCE REDUCTION, LAYOFF, & REASSIGNMENT

9.2 Separation Through Layoff.

- A. Grounds for Layoff. Any employee(s) having permanent status in position(s) may be laid off when the position is no longer necessary, or for reasons of economy, lack of work, lack of funds or for such other reason(s) as the Board of Retirement deems sufficient for abolishing the position(s).
- B. Order of Layoff. The order of layoff in a department shall be based on inverse seniority in the class of positions, the employee in that department with least seniority being laid off first and so on.
- C. Layoff By Displacement.
1. In the Same Class. A laid off permanent full time employee may displace an employee having less seniority in the same class who occupies a permanent part-time position, the least senior employee being displaced first.
 2. In the Same Level or Lower Class. A laid off or displaced employee who had achieved permanent status in a class at the same or lower salary level as determined by the salary schedule in effect at the time of layoff may displace within the department and in the class of an employee having less seniority; the least senior employee being displaced first, and so on with senior displaced employees displacing junior employees.
- D. Particular Rules on Displacing.
- Permanent part-time employees may displace only employees holding permanent positions of the same type respectively.
- A permanent full time employee may displace any intermittent or part-time employee with less seniority 1) in the same class or, 2) in a class of the same or lower salary level if no full time employee in a class at the same or lower salary level has less seniority than the displacing employees.
- Former permanent full time employees who have voluntarily become permanent part-time employees for the purpose of reducing the impact of a proposed layoff with the written approval of the Administrative/Human Resources Manager or designee retain their permanent full time employee seniority rights for layoff purposes only and may in a later layoff displace a full time employee with less seniority as provided in these rules.
- E. Seniority. An employee's seniority within a class for layoff and displacement purposes shall be determined by adding the employee's length of service in the particular class in question to the employee's length of service in other classes at the same or higher salary levels as determined by the salary schedule in effect at

SECTION 9 - SENIORITY, WORKFORCE REDUCTION, LAYOFF, & REASSIGNMENT

the time of layoff. Employees reallocated or transferred without examination from one class to another class having a salary within five percent (5%) of the former class, shall carry the seniority accrued in the former class into the new class.

Approved leaves of absence as provided for in these rules and regulations shall not constitute a period of separation. In the event of ties in seniority rights in the particular class in question, such ties shall be broken by length of last continuous permanent CCCERA employment. If there remain ties in seniority rights, such ties shall be broken by counting total time in the department in permanent employment. Any remaining ties shall be broken by random selection among the employees involved.

- F. Eligibility for Layoff List. Whenever any person who has permanent status is laid off, has been displaced, has been demoted by displacement or has voluntarily demoted in lieu of layoff or displacement, or has transferred in lieu of layoff or displacement, the person's name shall be placed on the layoff list for the class of positions from which that person has been removed.
- G. Order of Names on Layoff. First, layoff lists shall contain the names of persons laid off, displaced, or demoted as a result of a layoff or displacement, or who have voluntarily demoted in lieu of layoff or displacement. Names shall be listed in order of layoff seniority in the class from which laid off, displaced or demoted or transferred on the date of layoff, the most senior person listed first. In case of ties in seniority, the seniority rules shall apply, except, that where there is a class seniority tie between persons laid off from different departments, the tie(s) shall be broken by length of last continuous permanent CCCERA employment with remaining ties broken by random selection among the employees involved.
- H. Duration of Layoff & Reemployment Rights. The name of any person granted reemployment privileges shall continue on the layoff list for a period of two (2) years. Persons placed on layoff lists shall continue on the appropriate list for a period of four (4) years.
- I. Recall of Persons From Layoff Lists. . Prior to hiring a person from outside CCCERA, if an active Layoff/Recall list exists, CCCERA shall recall employees from the list in reverse order of layoff. A person employed from a layoff list shall be appointed at the same step of that salary range the employee held on the day of layoff.
- J. Removal of Names From Reemployment & Layoff Lists. CCCERA may remove the name of any eligible from a reemployment or layoff list for any reason listed below:
 - 1. For any cause stipulated in the Personnel Policies.

SECTION 10 – HOLIDAYS

2. On evidence that the eligible cannot be located by postal authorities.
3. On receipt of a statement from the appointing authority or eligible that the eligible declines certification or indicates no further desire for appointment in the class.
4. An offer of a permanent appointment to the class from which the eligible list was established has been declined by the eligible.
5. If the eligible fails to respond to Human Resources or the appointing authority within ten (10) days to written notice of certification mailed to the person's last known address.

If the person on the reemployment or layoff list is appointed to another position in the same or lower classification, the name of the person shall be removed. However, if the first permanent appointment of a person on a layoff list is to a lower class which has a top step salary lower than the top step of the class from which the person was laid off, the name of the person shall not be removed from the layoff list.

- K. Removal of Names from Reemployment & Layoff Certifications. Human Resources may remove the name of any eligible from a reemployment or layoff certification if the eligible fails to respond within five (5) days to a written notice of certification mailed to the person's last known address.

9.3 Notice.

CCCERA will give employees scheduled for layoff at least ten (10) work days notice prior to their last day of employment.

SECTION 10 – HOLIDAYS

10.1 Holidays Observed and Personal Holiday Credit.

CCCERA will observe the following holidays:

- A. January 1st, known as New Year's Day
Third Monday in January known as Dr. Martin Luther King, Jr. Day
Third Monday in February, known as Presidents Day
The last Monday in May, known as Memorial Day
July 4th known as Independence Day
First Monday in September, known as Labor Day
November 11th, known as Veterans Day
Fourth Thursday in November, known as Thanksgiving Day
The Friday after Thanksgiving Day
December 25th, known as Christmas Day

SECTION 10 – HOLIDAYS

Such other days as the Board of Retirement may designate as holidays. Any holiday observed by CCCERA that falls on a Saturday is observed on the preceding Friday, and any holiday observed by CCCERA that falls on a Sunday is observed on the following Monday.

- B. Effective January 1, 2012, each full-time employee shall accrue four (4) hours of personal holiday credit per month. Such personal holiday time may be taken in one (1) minute increments, and preference of personal holidays shall be given to employees according to their seniority in their department as reasonably as possible. No employee may accrue more than forty (40) hours of personal holiday credit. On separation from CCCERA service, an employee will be paid for any unused personal holiday credits at the employee's then current pay rate.

10.2 Holiday is NOT WORKED

A. Full-Time Employees:

1. Holidays Observed – Full-Time Employees: Full-time employees on regular, 4/10, and flexible work schedules are entitled to observe a holiday (eight (8) hours off), without a reduction in pay, whenever a holiday is observed by CCCERA.
2. Holidays Observed on Regular Day off of Full Time Employees on 4/10 and Flexible Work Schedule: When a holiday is observed by CCCERA on the regularly scheduled day off of an employee who is on a 4/10 or flexible work schedule, the employee is entitled to take eight (8) hours off, without reduction in pay, in recognition of the holiday. The employee is also entitled to receive eight (8) hours of flexible pay at the rate of 1.0 times his/her base rate of pay (not including differentials) or flexible compensatory time in recognition of his/her regularly scheduled day off.
3. Holiday Observed – Full Time Employees Scheduled in Excess of Eight (8) Hours: When a holiday falls on an employee's regularly scheduled workday, the employee is entitled to only eight (8) hours off without a reduction in pay. If the workday is a ten (10) hour day, the employee must use two (2) hours of non-sick leave accruals. If the employee does not have any non-sick leave accrual balances, leave without pay (AWOP) will be authorized.
4. Holiday Observed – Full Time Employees Scheduled for Less Than Eight (8) Hours: When a full time employee is scheduled to work less than eight (8) hours on a holiday and the employee observes the holiday, the employee is also entitled to receive flexible pay at the rate of 1.0 times his/her base rate of pay (not including differentials) for the difference between eight (8) hours and the hours the employee was schedule to work on the holiday.

B. Part Time Employees:

1. Holidays Observed – Part-Time Employees. When a holiday is observed by CCCERA, each part-time employee is entitled to observe the holiday in the same ratio as his/her number of position hours bears to forty (40) hours, multiplied by eight (8) hours, without a reduction in pay. For example, a part time employee whose position hours are 24 per week is entitled to 4.8 hours off work on a holiday ($24/40 \times 8 = 4.8$). Hereafter, the number of hours produced by this calculation will be referred to as the “part time employee’s holiday hours.”
2. Holiday Observed on Regular Day Off of Part Time Employees: When a holiday is observed by CCCERA on the regularly scheduled day off of a part time employee, the part time employee is entitled to observe the holiday in the amount of the “part time employee’s holiday hours,” without a reduction in pay, in recognition of the holiday. The employee is also entitled to receive flexible pay at the rate of 1.0 times his/her base rate of pay (not including differentials) or compensatory time, in the amount of the “part time employee’s holiday hours” in recognition of his/her scheduled day off.
3. Holiday Observed – Part Time Employees Scheduled to Work in Excess of “Part Time Employee’s Holiday Hours”: When the number of hours in a part time employee’s scheduled work day that falls on a holiday is more than the employee’s “part time employee’s holiday hours”, the employee must use non-sick leave accruals for the difference between the employee’s scheduled work hours and the employee’s “part time employee’s holiday hours.” If the employee does not have any non-sick leave accrual balances, leave without pay (AWOP) will be authorized.
4. Holiday Observed – Part Time Employees Scheduled to Work Less Than “Part Time Employee’s Holiday Hours”: When the number of hours in a part time employee’s scheduled work day that fall on a holiday is less than the employee’s “part time employee’s holiday hours”, the employee is also entitled to receive flexible pay at the rate of 1.0 times his/her rate of pay (not including differentials) for the difference between the employee’s schedule work hours and the employee’s “part time employee’s holiday hours.”

10.3 Holiday is WORKED

A. Full Time Employees:

1. Holiday Falls on Regularly Scheduled Work Day of Full-Time Employees on Regular, 4/10, Flexible, and Alternate Work Schedules: When a full time employee works on a holiday that falls on the employee’s regularly scheduled work day, the employee is entitled to receive his/her regular salary. The employee is also entitled to receive holiday pay at the rate of one and one half (1.5) times his/her base rate of pay (not including differentials) or holiday

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compensation time at the same rate, for all hours worked up to a maximum of eight (8) hours. This provision applies to the regular, 4/10, flexible, and alternate work schedules.

2. Holiday Worked - Full Time Employee Scheduled less than Eight (8) hours on Regularly Scheduled Work Day: When a full time employee is scheduled to work less than eight (8) hours on a holiday (hereafter referred to as “full time employee short shift”), and the employee works that full time employee short shift, the employee is also entitled to receive flexible pay at the rate of 1.0 times his/her base rate of pay (not including differentials) or flexible compensatory time for the difference between eight (8) hours and the employee’s scheduled full time employee short shift hours.
3. Holiday Falls on Regularly Scheduled Day Off of Full-Time Employees on 4/10, Flexible, and Alternate Work Schedules. When a full-time employee works on a holiday that falls on the employee’s regularly scheduled day off, the employee is entitled to receive his/her regular salary. The employee is also entitled to receive overtime pay at the rate of one and one half (1.5) times his/her base rate of pay (not including differentials) or compensation time at the same rate for all hours worked on the holiday. The employee is also entitled to receive eight (8) hours of flexible compensatory time or pay, at the rate of 1.0 times his/her base rate of pay, in recognition of his/her scheduled day off. This provision only applies to employees on 4/10, flexible, and alternate work schedules.

B. Part Time Employees

1. Holiday Falls on Regularly Scheduled Work Day: When a part time employee works on a holiday that falls on the employee’s scheduled work day, the part time employee is entitled to receive his/her regular salary. The part time employee is also entitled to receive holiday pay at the rate of one and one half (1.5) times his/her base rate of pay (not including differentials) or holiday compensatory time for all hours worked on the holiday, up to a maximum of the “part time employee’s holiday hours.”
2. Holiday Worked- Part Time Employee Scheduled for Less than “Part Time Employee’s Holiday Hours” on Regularly Scheduled Work Day: When a part time employee is scheduled to work less than the employee’s “part time employee’s holiday hours” on a holiday (hereafter referred to as “part time employee short shift”), and the employee works that part time employee short shift, the employee is also entitled to receive flexible pay at the rate of 1.0 times his/her base rate of pay (not including differentials) or flexible compensatory time for the difference between the “part time employee’s holiday hours” and the part time employee short shift hours.

10.4 Holiday and Compensatory Time Provisions.

- A. **Maximum Accruals of Holiday Compensatory Time.** Holiday compensatory time may not be accumulated in excess of two hundred eighty-eight (288) hours. After two hundred eighty-eight (288) hours are accrued by an employee, the employee will receive holiday pay at the rate of one and one half (1.5) times his/her base rate of pay. Holiday compensatory time may be taken at those dates and times determined by mutual agreement of the employee and the Department Manager or designee.
- B. **Pay Off of Holiday Compensatory Time.** Holiday compensatory time will be paid off only upon a change in status. A change in status includes separation, reassignment to a permanent-intermittent position, or transfer, assignment, promotion, or demotion into a position that is not eligible for holiday compensatory time.
- C. **Maximum Accruals of Flexible Compensatory Time.** Flexible compensatory time may not be accumulated in excess of two hundred eighty-eight (288) hours. After two hundred eighty-eight (288) hours are accrued by an employee, the employee will receive flexible pay at the rate of 1.0 times his/her base rate of pay. Flexible compensatory time may be taken on those dates and times determined by mutual agreement of the employee and the Department Manager or designee.
- D. **Pay Off of Flexible Compensatory Time.** Flexible compensatory time will be paid off only upon a change in status. A change in status includes separation, reassignment to a permanent-intermittent position, or transfer assignment, promotion, or demotion into a position that is not eligible for flexible compensatory time.

SECTION 11 - VACATION LEAVE

11.1 Vacation Allowance.

Employees in permanent positions are entitled to vacation with pay. Accrual is based upon straight time hours of working time per calendar month of service and begins on the date of appointment to a permanent position. Increased accruals begin on the first of the month following the month in which the employee qualifies. Accrual for portions of a month shall be in minimum amounts of one (1) hour calculated on the same basis as for partial month compensation pursuant to Section 5.6 of this MOU. Vacation credits may be taken in one (1) minute increments. Vacation may not be taken during the first six (6) months of employment (not necessarily synonymous with probationary status) except where sick leave has been exhausted.

SECTION 11 - VACATION LEAVE

11.2 Vacation Allowance for Separated Employees.

On separation from CCCERA service, an employee shall be paid for any unused vacation credits at the employee's then current pay rate.

11.3 Vacation Requests.

The Department Manager or his/her designee will approve or deny an employee's vacation leave request that is submitted outside of the vacation bid process, within ten (10) work days of receipt. Vacations may only be taken with approval of the Department Manager or designee.

11.4 Preference.

Preference of vacation shall be given to employees according to their seniority in their department as reasonably as possible.

11.5 Vacation Accrual Rates.

<u>Length of Service</u>	<u>Monthly Accrual Hours</u>	<u>Maximum Cumulative Hours</u>
Under 15 years	10	240
15 through 19 years	13-1/3	320
20 through 24 years	16-2/3	400
25 through 29 years	20	480
30 years and up	23-1/3	560

A. Vacation Accrual Increases for Employees Hired by Contra Costa County on and before June 30, 2009.

Employees with a first of the month Service Award Date. Each employee with a Service Award Date that is on the first day of a month is eligible to accrue increased vacation hours on his/her Service Award Date.

Example One:

1. The employee's Service Award Date is January 1, 1988.
2. The employee reaches 20 years of service on January 1, 2008.
3. January 1, 2008 is the date on which the employee is eligible to begin accruing 16.66 hours of vacation time each month.
4. The increased vacation hours will first appear on the employee's February 10, 2008 pay warrant.

Employees NOT with a first of the month Service Award Date. Each employee whose Service Award Date is NOT on the first day of a month is

SECTION 11 - VACATION LEAVE

eligible to accrue increased vacation hours on the first day of the month following the employee's Service Award Date.

Example Two:

1. An employee's Service Award Date is February 24, 1987.
2. The employee reached 20 years of service on February 24, 2007.
3. March 1, 2007 is the date on which the employee is eligible to begin accruing 16.66 hours of vacation time each month.
4. The increased vacation hours will first appear on the employee's April 10, 2007 pay warrant.

B. Vacation Accrual Increases for Employees Hired on and after July 1, 2009.

Each employee hired on and after July 1, 2009 is eligible to accrue increased vacation hours on the first day of the month following the employee's Service Award Date.

Example One:

1. The employee's Service Award Date is January 1, 1988.
2. The employee reached 20 years of service on January 1, 2008.
3. February 1, 2008 is the date on which the employee is eligible to begin accruing 16.66 hours of vacation time each month.
4. The increased vacation hours will appear on the employee's March 10, 2008, pay warrant.

Example Two:

1. An employee's Service Award Date is February 24, 1987.
2. The employee reached 20 years of service on February 24, 2007.
3. March 1, 2007 is the date on which the employee is eligible to begin accruing 16.66 hours of vacation time each month.
4. The increased vacation hours will appear on the employee's April 10, 2007, pay warrant.

C. Service Award Date Defined.

An employee's Service Award Date is the first day of his/her temporary, provisional, or permanent appointment to a position in CCCERA. If an employee

SECTION 12 - SICK LEAVE

is first appointed to a temporary or provisional position and then later appointed to a permanent position, the Service Award Date for that employee is the date of the first day of the temporary or provisional appointment.

11.6 Prorated Accruals.

Employees in a permanent part-time position shall accrue vacation benefits on a prorated basis

11.7 Accrual During Leave Without Pay.

No employee who has been granted a leave without pay or unpaid military leave shall accrue any vacation credit during the time of such leave, nor shall an employee who is absent without pay accrue vacation credit during the absence.

11.8 Vacation Leave on Reemployment from a Layoff List.

Employees with six (6) months or more service in a permanent position prior to their layoff and who are employed from a layoff list shall be considered as having completed six (6) months tenure in a permanent position for the purpose of vacation leave.

SECTION 12 - SICK LEAVE

12.1 Purpose of Sick Leave.

The primary purpose of paid sick leave is to ensure employees against loss of pay for temporary absences from work due to illness or injury. It is a benefit extended by CCCERA and may be used only as authorized; it is not paid time off which employees may use for personal activities.

12.2 Credits To and Charges Against Sick Leave.

Sick leave credits accrue at the rate of eight (8) working hours credit for each completed month of service. Employees who work a portion of a month are entitled to a pro rata share of the monthly sick leave credit computed on the same basis as is partial month compensation.

Credits to and charges against sick leave are made in minimum amounts of one (1) minute.

Unused sick leave credits accumulate from year to year. When an employee is separated other than through retirement, accumulated sick leave credits shall be canceled, unless the separation results from layoff, in which case the accumulated credits shall be restored if reemployed in a permanent position within the period of lay off eligibility. As of the date of retirement, an employee's accumulated sick leave is converted to retirement on the basis of one day of retirement service credit for each day of accumulated sick leave credit.

12.3 Policies Governing the Use of Paid Sick Leave.

As indicated above, the primary purpose of paid sick leave is to ensure employees against loss of pay for temporary absences from work due to illness or injury. The following definitions apply:

Immediate Family: Includes only the spouse, son, stepson, daughter, stepdaughter, father, stepfather, mother, stepmother, brother, sister, grandparent, grandchild, niece, nephew, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, foster children, aunt, uncle, cousin, stepbrother, stepsister, or domestic partner of an employee and/or includes any other person for whom the employee is the legal guardian or conservator, or any person who is claimed as a "dependent" for IRS reporting purposes by the employee.

Employee: Any person employed by CCCERA in an allocated position in CCCERA service.

Paid Sick Leave Credits: Sick leave credits provided for by Personnel Policies and memoranda of understanding.

Condition/Reason: With respect to necessary verbal contacts and confirmations which occur between the department and the employee when sick leave is requested or verified, a brief statement in non-technical terms from the employee regarding inability to work due to injury or illness is sufficient.

Accumulated paid sick leave credits may be used, subject to appointing authority approval, by an employee in pay status, but only in the following instances:

- A. Temporary Illness or Injury of an Employee. Paid sick leave credits may be used when the employee is off work because of a temporary illness or injury.
- B. Permanent Disability Sick Leave. Permanent disability means the employee suffers from a disabling physical injury or illness and is thereby prevented from engaging in any CCCERA occupation for which the employee is qualified by reason of education, training or experience. Sick leave may be used by permanently disabled employees until all accruals of the employee have been exhausted or until the employee is retired by the Retirement Board, subject to the following conditions:
 1. An application for retirement due to disability has been filed with the Retirement Board.
 2. Satisfactory medical evidence of such disability is received by the appointing authority within thirty (30) days of the start of use of sick leave for permanent disability.
 3. The appointing authority may review medical evidence and order further examination as deemed necessary, and may terminate use of sick leave when such further examination demonstrates that the employee is not disabled, or

SECTION 12 - SICK LEAVE

when the appointing authority determines that the medical evidence submitted by the employee is insufficient, or where the above conditions have not been met.

- C. Communicable Disease. An employee may use paid sick leave credits when under a physician's order to remain secluded due to exposure to a communicable disease.
- D. Sick Leave Utilization for Pregnancy Disability. Employees whose disability is caused or contributed to by pregnancy, miscarriage, abortion, childbirth, or recovery therefrom, shall be allowed to utilize sick leave credit to the maximum accrued by such employee during the period of such disability under the conditions set forth below:
 - 1. Application for such leave must be made by the employee to the appointing authority accompanied by a written statement of disability from the employee's attending physician. The statement must address itself to the employee's general physical condition having considered the nature of the work performed by the employee, and it must indicate the date of the commencement of the disability as well as the date the physician anticipates the disability to terminate.
 - 2. If an employee does not apply for leave and the appointing authority believes that the employee is not able to properly perform her work or that her general health is impaired due to disability caused or contributed to by pregnancy, miscarriage, abortion, childbirth or recovery therefrom the employee shall be required to undergo a physical examination by a physician selected by CCCERA. Should the medical report so recommend, a mandatory leave shall be imposed upon the employee for the duration of the disability.
 - 3. Except as set forth in Section 12.3 h. Baby/Child Bonding, sick leave may not be utilized after the employee has been released from the hospital unless the employee has provided CCCERA with a written statement from her attending physician stating that her disability continues and the projected dates of the employee's recovery from such disability.
- E. Medical and Dental Appointments. An employee may use paid sick leave credits:
 - 1. For working time used in keeping medical and dental appointments for the employee's own care; and
 - 2. For working time used by an employee for pre-scheduled medical and dental appointments for an immediate family member.
- F. Emergency Care of Family. An employee may use paid sick leave credits for working time used in cases of illness or injury to an immediate family member.

SECTION 12 - SICK LEAVE

- G. Death of Family Member. An employee may use paid sick leave credits for working time used because of a death in the employee's immediate family or of the employee's domestic partner, but this shall not exceed three (3) working days, plus up to two (2) days of work time for necessary travel. Use of additional accruals including sick leave, when appropriate, may be authorized in conjunction with the bereavement leave at the discretion of the appointing authority.
- H. Baby/Child Bonding. Upon the birth or adoption of a child, an employee eligible for baby-bonding leave pursuant to the California Family Rights Act may use sick leave credits for such baby-bonding leave.
- I. Accumulated paid sick leave credits may not be used in the following situations:
 - 1. Vacation. Paid sick leave credits may not be used for an employee's illness or injury which occurs while he is on vacation but the CCCERA CEO may authorize it when extenuating circumstances exist.
 - 2. Not in Pay Status. Paid sick leave credits may not be used when the employee would otherwise be eligible to use paid sick leave credits but is not in pay status.

12.4 Administration of Sick Leave.

The proper administration of sick leave is a responsibility of the employee and the department manager. The following procedures apply:

A. Employee Responsibilities

- 1. Employees are responsible for notifying their department of an absence prior to the commencement of their work shift or as soon thereafter as possible. Notification shall include the reason and possible duration of the absence.
- 2. Employees are responsible for keeping their department informed on a continuing basis of their condition and probable date of return to work.
- 3. Employees are responsible for obtaining advance approval from their supervisor for the scheduled time of pre-arranged personal or family medical and dental appointments.
- 4. Employees are encouraged to keep the department advised of (1) a current telephone number to which sick leave related inquiries may be directed, and (2) any condition(s) and/or restriction(s) that may reasonably be imposed regarding specific locations and/or persons the department may contact to verify the employee's sick leave.

- B. CCCERA Responsibilities. The use of sick leave may properly be denied if these procedures are not followed. Abuse of sick leave on the part of the employee is cause for disciplinary action.

SECTION 12 - SICK LEAVE

Departmental approval of sick leave is a certification of the legitimacy of the sick leave claim. The Department Manager or designee may make reasonable inquiries about employee absences. The department may require medical verification for an absence of three (3) or more consecutive working days. The department may also require medical verification for absences of less than three (3) consecutive working days for probable cause if the employee had been notified in advance in writing that such verification was necessary. Inquiries may be made in the following ways:

1. Calling the employee's residence telephone number or other contact telephone number provided by the employee if telephone notification was not made in accordance with departmental sick leave call-in guidelines. These inquiries shall be subject to any restrictions imposed by the employee under Section 12.4.A.
2. Obtaining the employee's signature on the Absence/Overtime Record or on another form established for that purpose, as employee certification of the legitimacy of the claim.
3. Obtaining the employee's written statement of explanation regarding the sick leave claim.
4. Requiring the employee to obtain a physician's certificate or verification of the employee's illness, date(s) the employee was incapacitated, and the employee's ability to return to work, as specified above.
5. In absences of an extended nature, requiring the employee to obtain from their physician a statement of progress and anticipated date on which the employee will be able to return to work, as specified above.

CCCERA will establish timekeeping procedures which will insure the submission of a time card covering each employee absence in accordance with these policies and with clarifying regulations issued by the CEO.

To help assure uniform policy application, Human Resources should be contacted with respect to sick leave determinations about which the department is in doubt.

12.5 Disability.

- A. An employee physically or mentally incapacitated for the performance of duty is subject to dismissal, suspension or demotion, subject to the County Employees Retirement Law of 1937. An appointing authority after giving notice may place an employee on leave if the appointing authority has filed an application for disability retirement for the employee, or whom the appointing authority believes to be temporarily or permanently physically or mentally incapacitated from the performance of the employee's duties.
- B. An appointing authority who has reasonable cause to believe that there are physical or mental health conditions present in an employee which endanger the health or

SECTION 12 - SICK LEAVE

safety of the employee, other employees, or the public, or which impair the employee's performance of duty, may order the employee to undergo at CCCERA expense and on the employee's paid time, a physical, medical examination by a licensed physician and/or psychiatric examination by a licensed physician or psychologist, and receive a report of the findings on such examination. If the examining physician or psychologist recommends that treatment for physical or mental health problems, including leave, are in the best interests of the employee or CCCERA in relation to the employee overcoming any disability and/or performing his or her duties the appointing authority may direct the employee to take such leave and/or undergo such treatment.

- C. Leave due to temporary or permanent disability shall be without prejudice to the employee's right to use sick leave, vacation, or any other benefit to which the employee is entitled other than regular salary. The Administrative/Human Resources Manager may order lost pay restored for good cause and subject to the employee's duty to mitigate damages.
- D. Before an employee returns to work from any absence for illness or injury, other leave of absence or disability leave, exceeding two (2) weeks in duration, the appointing authority may order the employee to undergo at CCCERA expense a physical, medical, and/or psychiatric examination by a licensed physician, and may consider a report of the findings on such examination. If the report shows that such employee is physically or mentally incapacitated for the performance of duty, the appointing authority may take such action as he deems necessary in accordance with appropriate provisions of this MOU.
- E. Before an employee is placed on an unpaid leave of absence or suspended because of physical or mental incapacity under (A) or (B) above, the employee shall be given notice of the proposed leave of absence or suspension by letter or memorandum, delivered personally or by certified mail, containing the following:
 - 1. a statement of the leave of absence or suspension proposed;
 - 2. the proposed dates or duration of the leave or suspension which may be indeterminate until a certain physical or mental health condition has been attained by the employee;
 - 3. a statement of the basis upon which the action is being taken
 - 4. a statement that the employee may review the materials upon which the action is taken;
 - 5. a statement that the employee has until a specified date (not less than seven (7) work days from personal delivery or mailing of the notice) to respond to the appointing authority orally or in writing.
- F. Pending response to the notice the appointing authority for cause specified in writing may place the employee on a temporary leave of absence, with pay.

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- G. The employee to whom the notice has been delivered or mailed shall have seven (7) work days to respond to the appointing authority either orally or in writing before the proposed action may be taken.
- H. After having complied with the notice requirements above, the appointing authority may order the leave of absence or suspension in writing stating specifically the basis upon which the action is being taken, delivering the order to the employee either personally or by certified mail, effective either upon personal delivery or deposit in the U.S. Postal Service.
- I. An employee who is placed on leave or suspended under this section may, within ten (10) calendar days after personal delivery or mailing to the employee of the order, appeal the order in writing through the CEO or designee.
- J. In the event of an appeal the employee has the burden of proof to show that either:
 - 1. the physical or mental health condition cited by the appointing authority does not exist, or
 - 2. the physical or mental health condition does exist, but it is not sufficient to prevent, preclude, or impair the employee's performance of duty, or is not sufficient to endanger the health or safety of the employee, other employees, or the public.
- K. If the appeal is to a Disability Review Arbitrator, the employee (and his representative) will meet with CCCERA's representative to mutually select the Disability Review Arbitrator, who may be a de facto arbitrator, or a physician, or a rehabilitation specialist, or some other recognized specialist mutually selected by the parties. The arbitrator shall hear and review the evidence. The decision of the Disability Review Arbitrator shall be binding on both CCCERA and the employee.

Scope of the Arbitrator's Review.

- 1. The arbitrator may affirm, modify or revoke the leave of absence or suspension.
- 2. The arbitrator may make his decision based only on evidence submitted by CCCERA and the employee.
- 3. The arbitrator may order back pay or paid sick leave credits for any period of leave of absence or suspension if the leave or suspension is found not to be sustainable, subject to the employee's duty to mitigate damages.
- 4. The arbitrator's fees and expenses shall be paid one-half by CCCERA and one-half by the employee or employee's association.

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- L. It is understood that the benefits specified in Section 12 – Sick Leave and Section 14 – Workers' Compensation, shall be coordinated with the rehabilitation program as determined by the labor-management committee.

12.6 Accrual During Leave Without Pay.

No employee who has been granted a leave without pay or an unpaid military leave shall accrue any sick leave credits during the time of such leave nor shall an employee who is absent without pay accrue sick leave credits during the absence.

12.7 Integration of State Disability Benefits with CCCERA Sick Leave Benefit Program.

Employees eligible for State Disability benefits and sick leave benefits for any portion of disability shall be required to make application for both benefits. The State Disability benefits shall be returned to CCCERA to be credited to the employee's sick leave balance on the following basis:

- A. Integration with State Disability is automatic and cannot be waived.
- B. The amount credited to the employee's sick leave balance shall be converted to sick leave hours by dividing the amount received from State Disability Insurance by the employee's straight time hourly rate, at the time of payment, as determined by the appropriate salary schedule for the employee's class of employment.
- C. If the employee is eligible for State Disability Insurance benefits, application must be made and the benefits returned to CCCERA for sick leave credits so that the principle of integration is completed.
- D. In the event an employee is not eligible for sick leave credits from CCCERA, there will be no integration and the employee shall not return State Disability Insurance benefits to CCCERA.
- E. In the event an employee receives sick leave benefits for a portion of the disability period, State Disability benefits must be utilized to restore only those sick leave hours used during the period of disability.
- F. Restoration of sick leave balances shall be rounded to the nearest one-half (1/2) hour.
- G. In no instance will an employee be allowed to purchase sick leave not accrued.
- H. CCCERA will provide separate accounting for the purchase sick leave to insure that State Disability Insurance benefits are not taxable.

SECTION 13 - STATE DISABILITY INSURANCE (SDI)

12.8 Confidentiality of Information/Records.

Any use of employee medical records will be governed by the Confidentiality of Medical Information Act (Civil Code Sections 56 to 56.26).

SECTION 13 - STATE DISABILITY INSURANCE (SDI)

Employees eligible for SDI benefits will be required to make application for SDI benefits and to have those benefits integrated with the use of their sick leave accruals on the following basis:

13.1 General Provisions.

The California SDI program provides disability benefits beginning on the eighth (8) calendar day of a qualifying disability. The maximum period of state disability payments is up to one year. Determination of SDI payments and eligibility to receive payments is at the sole discretion of the State of California.

Integration means that employees will be required to use sick leave accruals to supplement the difference between the amount of the SDI payment and the employee's base monthly salary. Integration of sick leave with the SDI benefit is automatic and cannot be waived. Integration applies to all SDI benefits paid. For employees off on SDI, the department will make appropriate integration adjustments, including retroactive adjustments if necessary. Employees must inform their department of hospitalization in a timely manner in order for the department to make appropriate integration adjustments.

State Disability benefit payments will be sent directly to the employees at their home address by the State of California.

When there are insufficient sick leave accruals available to fully supplement the difference between the SDI payment and the employee's base monthly salary, accruals other than sick leave may be used. These accruals may be used only to the extent that total payments do not exceed the employee's base monthly salary.

13.2 Procedures.

Employees with more than 1.2 hours of sick leave accruals at the beginning of the disability integration period must integrate their sick leave accrual usage with their SDI benefit to the maximum extent possible.

When employees have 1.2 hours or less of sick leave accruals at the beginning of the disability integration period, the department shall automatically use 0.1 hour of sick leave per month for the duration of their SDI benefit.

When sick leave accruals are totally exhausted, integration with the SDI benefit terminates. An employee may use any other accruals without reference to or integration with the SDI benefit.

SECTION 13 - STATE DISABILITY INSURANCE (SDI)

When the SDI benefit is exhausted, sick leave integration terminates. Then the employee may use sick leave or other accruals.

Employees with no sick leave balance at the beginning of the disability integration period may use any other accruals without reference to or integration with the SDI benefit.

Employees whose SDI claims are denied must present a copy of their claim denial to their department. The department will then authorize use of unused sick leave and shall authorize the use of other accruals as appropriate.

Employees may contact the Human Resources Department, Benefits Division, for assistance in resolving problems.

13.3 Method of Integration.

Employee must notify State of California, Employment Development Department if under a doctor's care for more than seven days (forms provided on the EDD website, www.edd.ca.gov/Disability/). Except for the 7-day waiting period, an employee is paid SDI/PFL payments every day they are eligible for benefits, including weekends.

CCCERA Integrates/Coordinates benefits

Integration or coordination of SDI/PFL benefits is a process in which the full SDI/PFL weekly benefit amount is paid to the employee and in addition the employee is being paid wages by CCCERA. With this process the employee could potentially receive up to 100% of his/her normal gross weekly wages (except for 7-day waiting period) for the benefit period. **PROVIDED THE EMPLOYEE HAS LEAVE BALANCES AVAILABLE.**

Example: An employee's current gross weekly wage is \$500.00. The weekly benefit amount from PFL is \$275.00. The \$500 minus \$275 equals \$225 per week wage loss. Consequently, CCCERA can coordinate/integrate a maximum amount of \$225.00 per week in gross wages, resulting in the employee receiving 100% of their normal weekly gross pay.

Procedures for SDI/PFL payments

Employee will need to mail, fax, or drop off a copy of the SDI/PFL statement that shows the amount and period employee was paid to CCCERA. **The SDI/PFL payment is yours to keep, however we will deduct the SDI amount from the next CCCERA pay check.** It is the responsibility of the employee to ensure that the employee is not receiving more than 100% of his/her normal gross wages. Remember that SDI/PFL payments are not intended to pay additional wages, it is used to reinstate leave balances and the employees' next CCCERA paycheck will be reduced by the SDI/PFL payment.

Calculating leave balance reinstatement

SECTION 14 - WORKERS' COMPENSATION

To determine number of leave hours to reinstate, we divide the amount of SDI/PFL payment by the employee's hourly rate of pay. We apply this amount of hours to reinstate the leave hours used during the same period the employee is receiving SDI/PFL.

Example: An employee receives a SDI/PFL check for \$550.00 and their regular hourly rate of pay is \$10.00. During that period the employee used 80 hours of sick leave. ($\$550.00/\$10.00 = 55$) sick hours reinstated to his/her accrued balance.

13.4 Definition.

"Base Monthly Salary" for purposes of sick leave integration is defined as the salary amount for the employee's step on the salary schedule for the employee's permanent classification as shown in the "Salary" field on the On-Line Payroll Time Reporting System used by departments for payroll reporting purposes.

SECTION 14 - WORKERS' COMPENSATION

A permanent non-safety employee shall continue to receive the appropriate percent of regular monthly salary for all accepted claims filed before January 1, 2000, during any period of compensable temporary disability absence not to exceed one year. For all accepted claims filed with CCCERA, the percentage of pay for employees entitled to Workers' Compensation shall be 75%. If Workers' Compensation becomes taxable, CCCERA agrees to restore the original benefit level (100% of monthly salary) and the parties shall meet and confer with respect to funding the increased cost.

- A. Waiting Period. There is a three (3) calendar day waiting period before Workers' Compensation benefits commence. If the injured worker loses any time on the day of injury, that day counts as day one (1) of the waiting period. If the injured worker does not lose time on the date of injury, the waiting period will be the first three (3) calendar days the employee does not work as a result of the injury. The time the employee is scheduled to work during this waiting period will be charged to the employee's sick leave and/or vacation accruals. In order to qualify for Workers' Compensation the employee must be under the care of a physician. Temporary compensation is payable on the first three (3) days of disability when the injury necessitates hospitalization, or when the disability exceeds fourteen (14) days.
- B. Continuing Pay. Permanent employees shall continue to receive the appropriate percent as outlined above of their regular monthly salary during any period of compensable temporary disability not to exceed one year. Payment of continuing pay and/or temporary disability compensation is made in accordance with Part 2, Article 3 of the Workers' Compensation Laws of California. "Compensable temporary disability absence" for the purpose of this Section, is any absence due to work connected disability which qualifies for temporary disability compensation as set forth in Part 2, Article 3 of the Workers' Compensation Laws of California.

When any disability becomes medically permanent and stationary and/or reaches maximum medical improvement, the salary provided in this Section shall terminate. No charge shall be made against sick leave or vacation for these salary payments. Sick leave and vacation rights shall not accrue for those periods during which continuing pay is received.

SECTION 14 - WORKERS' COMPENSATION

Employees shall be entitled to a maximum of one (1) year of continuing pay benefits for any one injury or illness.

- C. Continuing pay begins at the same time that temporary Workers' Compensation benefits commence and continues until either the member is declared medically permanent/stationary and/or reaches maximum medical improvement, or until one (1) year of continuing pay, whichever comes first provided the employee remains in an active employed status. Continuing pay is automatically terminated on the date an employee is separated from County service by resignation, retirement, layoff, or the employee is no longer employed by CCCERA. In these instances, employees will be paid Workers' Compensation benefits as prescribed by Workers' Compensation laws. All continuing pay will be cleared through CCCERA.

Whenever an employee who has been injured on the job and has returned to work is required by an attending physician to leave work for treatment during working hours the employee shall be allowed time off up to three (3) hours for such treatment without loss of pay or benefits provided the employee notifies his/her supervisor of the appointment at least three (3) working days prior to the appointment or as soon as the employee becomes aware the appointment has been made. Said visits are to be scheduled contiguous to either the beginning or end of the scheduled work day whenever possible. This provision applies only to injuries/illnesses that have been accepted by CCCERA as work related.

- D. Full Pay Beyond One Year. If an injured employee remains eligible for temporary disability beyond one year, the employee's applicable salary will continue by integrating sick leave and/or vacation accruals with Workers' Compensation benefits. If salary integration is no longer available, Workers' Compensation benefits will be paid directly to the employee as prescribed by Workers' Compensation laws.
- E. Rehabilitation Integration. An injured employee who is eligible for Workers' Compensation Rehabilitation Temporary Disability benefits and whose disability is medically permanent and stationary and/or reaches maximum medical improvement, will continue to receive his/her applicable salary by integrating sick leave and/or vacation accruals with Workers' Compensation Rehabilitation Temporary Disability benefits until those accruals are exhausted. Thereafter, the Rehabilitation Temporary Disability benefits will be paid directly to the employee.
- F. Health Insurance. CCCERA's contribution to the employee's group insurance plan(s) continues during the continuing pay period and during integration of sick leave or vacation with Workers' Compensation benefits.
- G. Method of Integration. An employee's sick leave and/or vacation charges shall be calculated as follows:

$$C = 8 [1 - (W \div S)]$$

C = Sick leave or vacation charge per day
(in hours)

W = Statutory Workers' Compensation for a month

S = Monthly salary

SECTION 15 - LEAVE OF ABSENCE

SECTION 15 - LEAVE OF ABSENCE

15.1 Leave Without Pay.

Any employee who has permanent status may be granted a leave of absence without pay upon written request, approved by the appointing authority; provided, however, that leaves for pregnancy, pregnancy disability, serious health conditions, and family care shall be granted in accordance with applicable state and federal law.

15.2 General Administration - Leave of Absence.

Requests for leave without pay shall be made upon forms prescribed by Human Resources and shall state specifically the reason for the request, the date when it is desired to begin the leave, and the probable date of return.

- A. Leave without pay may be granted for any of the following reasons:
 - 1. Illness or disability;
 - 2. pregnancy;
 - 3. parental;
 - 4. to take a course of study such as will increase the employee's usefulness on return to the position.
 - 5. for other reasons or circumstances acceptable to the appointing authority.
- B. An employee must request family care leave at least thirty (30) days before the leave is to begin if the need for the leave is foreseeable. If the need is not foreseeable, the employee must provide written notice to the employer within five (5) days of learning of the event by which the need for family care leave arises.
- C. A leave without pay may be for a period not to exceed one (1) year, provided the appointing authority may extend such leave for additional periods. The procedure in granting extensions shall be the same as that in granting the original leave, provided that the request for extension must be made not later than thirty (30) calendar days before the expiration of the original leave.
- D. Nevertheless, a leave of absence for the employee's serious health condition or for family care (FMLA) shall be granted to an employee who so requests it for up to eighteen (18) weeks during a "rolling" twelve (12) month period measured backward from the date the employee uses his/her FMLA leave in accordance with Section 15.5 below.
- E. Whenever an employee who has been granted a leave without any pay desires to return before the expiration of such leave, the employee shall submit a request

SECTION 15 - LEAVE OF ABSENCE

to the appointing authority in writing at least fifteen (15) days in advance of the proposed return. Early return is subject to prior approval by the appointing authority. The Human Resources Department shall be notified promptly of such return.

- F. Except in the case of leave of absence due to family care, pregnancy, pregnancy disability, illness, disability, or serious health condition, the decision of the appointing authority on granting or denying leave or early return from leave shall be subject to appeal to the Administrative/Human Resources Manager and not subject to appeal through the grievance procedure set forth in this MOU.

15.3 Military Leave.

Any employee who is ordered to serve as a member of the State Militia or the United States Army, Navy, Air Force, Marine Corps, Coast Guard or any division thereof shall be granted a military leave for the period of such service, plus ninety (90) days. Additionally, any employee who volunteers for service during a mobilization under Executive Order of the President or Congress of the United States and/or the State Governor in time of emergency shall be granted a leave of absence in accordance with applicable federal or state laws. Upon the termination of such service or upon honorable discharge, the employee shall be entitled to return to his/her position in the classified service provided such still exists and the employee is otherwise qualified, without any loss of standing of any kind whatsoever.

An employee who has been granted a military leave shall not, by reason of such absence, suffer any loss of vacation, holiday, or sick leave privileges which may be accrued at the time of such leave, nor shall the employee be prejudiced thereby with reference to salary adjustments or continuation of employment. For purposes of determining eligibility for salary adjustments or seniority in case of layoff or promotional examination, time on military leave shall be considered as time in County service.

Any employee who has been granted a military leave, may upon return, be required to furnish such evidence of performance of military service or of honorable discharge as the appointing authority may deem necessary.

15.4 Family Care Leave or Medical Leave.

Upon request to the appointing authority, in a "rolling" twelve (12) month period measured backward from the date the employee uses his/her FMLA leave, any employee who has permanent status shall be entitled to at least eighteen (18) weeks leave (less if so requested by the employee) for:

- A. medical leave of absence for the employee's own serious health condition which makes the employee unable to perform the functions of the employee's position; or
- B. family care leave of absence without pay for reason of the birth of a child of the employee, the placement of a child with an employee in connection with the

SECTION 15 - LEAVE OF ABSENCE

adoption or foster care of the child by the employee, or the serious illness or health condition of a child, parent, spouse, or domestic partner of the employee.

15.5 Certification.

The employee may be asked to provide certification of the need for family care leave or medical leave. Additional period(s) of family care or medical leave may be granted by the appointing authority.

15.6 Intermittent Use of Leave.

The eighteen (18) week entitlement may be in broken periods, intermittently on a regular or irregular basis, or may include reduced work schedules depending on the specific circumstances and situations surrounding the request for leave. The eighteen (18) week may include use of appropriate available paid leave accruals when accruals are used to maintain pay status, but use of such accruals is not required beyond that specified in Section 15.12 below. When paid leave accruals are used for a medical or family care leave, such time shall be counted as a part of the eighteen (18) week entitlement.

15.7 Aggregate Use for Spouses.

In the situation where husband and wife are both employed by CCCERA, the family care of medical leave entitlement based on the birth, adoption or foster care of a child is limited to an aggregate for both employees together of eighteen (18) weeks during a "rolling" twelve (12) month period measured backward from the date the employee uses his/her FMLA leave. Employees requesting family care leave are required to advise their appointing authority(ies) when their spouse is also employed by CCCERA.

15.8 Definitions.

For medical and family care leaves of absence under this section, the following definitions apply:

- A. Child: A biological, adopted, or foster child, stepchild, legal ward, conservatee or a child who is under eighteen (18) years of age for whom an employee stands in loco parentis or for whom the employee is the guardian or conservator, or an adult dependent child of the employee.
- B. Parent: A biological, foster, or adoptive parent, a step-parent, legal guardian, conservator, or other person standing in loco parentis to a child.
- C. Spouse: A partner in marriage as defined in California Civil Code Section 4100.
- D. Domestic Partner: An unmarried person, eighteen (18) years or older, to whom the employee is not related and with whom the employee resides and shares the common necessities of life.

SECTION 15 - LEAVE OF ABSENCE

- E. Serious Health Condition: An illness, injury, impairment, or physical or mental condition which warrants the participation of a family member to provide care during a period of treatment or supervision and involves either inpatient care in a hospital, hospice or residential health care facility or continuing treatment or continuing supervision by a health care provider (e.g. physician or surgeon) as defined by state and federal law.
- F. Certification for Family Care Leave: A written communication to the employer from a health care provider of a person for whose care the leave is being taken which need not identify the serious health condition involved, but shall contain:
1. the date, if known, on which the serious health condition commenced;
 2. the probable duration of the condition;
 3. an estimate of the amount of time which the employee needs to render care or supervision;
 4. a statement that the serious health condition warrants the participation of a family member to provide care during period of treatment or supervision;
 5. if for intermittent leave or a reduced work schedule leave, the certification should indicate that the intermittent leave or reduced leave schedule is necessary for the care of the individual or will assist in their recovery, and its expected duration.
- G. Certification for Family Medical Leave: A written communication from a health care provider of an employee with a serious health condition or illness to the employer, which need not identify the serious health condition involved, but shall contain:
1. the date, if known, on which the serious health condition commenced;
 2. the probable duration of the condition;
 3. a statement that the employee is unable to perform the functions of the employee's job;
 4. if for intermittent leave or a reduced work schedule leave, the certification should indicate the medical necessity for the intermittent leave or reduced leave schedule and its expected duration.
- H. Comparable Positions: A position with the same or similar duties and pay which can be performed at the same or similar geographic location as the position held prior to the leave. Ordinarily, the job assignment will be the same duties in the same program area located in the same city, although specific clients, caseload,

SECTION 15 - LEAVE OF ABSENCE

co-workers, supervisor(s), or other staffing may have changed during an employee's leave.

15.9 Pregnancy Disability Leave.

Insofar as pregnancy disability leave is used under Section 12.3.D - Sick Leave Utilization for Pregnancy Disability, that time will not be considered a part of the eighteen (18) week family care leave period.

15.10 Group Health Plan Coverage.

Employees who were members of one of the group health plans prior to commencement of their leave of absence can maintain their health plan coverage with CCCERA contribution by maintaining their employment in pay status as described in Section 12.3.D – Sick Leave Utilization for Pregnancy Disability. During the eighteen (18) weeks of an approved medical or family care leave under Section 15.5 above, CCCERA will continue its contribution for such health plan coverage even if accruals are not available for use to maintain pay status as required under Section 15.12. In order to maintain such coverage, employees are required to pay timely the full employee contribution to maintain their group health plan coverage, either through payroll deduction or by paying CCCERA directly.

15.11 Leave Without Pay - Use of Accruals.

- A. All Leaves of Absence. During the first twelve (12) month period of any leave of absence without pay, an employee may elect to maintain pay status each month by using available sick leave (if so entitled under Section 12.3 - Policies Governing the Use of Paid Sick Leave), vacation, floating holiday, compensatory time off or other accruals or entitlements; in other words, during the first twelve (12) months, a leave of absence without pay may be "broken" into segments and accruals used on a monthly basis at the employee's discretion. After the first twelve (12) months, the leave period may not be "broken" into segments and accruals may not be used, except when required by LTD Benefit Coordination or SDI/Sick Leave Integration or as provided in the sections below.
- B. Family Care or Medical Leave (FMLA). During the eighteen (18) weeks of an approved medical or family care leave, if a portion of that leave will be on a leave of absence without pay, the employee will be *required* to use *at least* 0.1 hour of sick leave (if so entitled under Section 12.3 - Policies Governing the Use of Paid Sick Leave), vacation floating holiday, compensatory time off or other accruals or entitlements if such are available, although use of additional accruals is permitted under subsection A. above.
- C. Leave of Absence/Long Term Disability (LTD) Benefit Coordination. An eligible employee who files an LTD claim and concurrently takes a leave of absence without pay will be required to use accruals as provided in Section B herein during the eighteen (18) weeks entitlement period of a medical leave specified above. If an eligible employee continues beyond the eighteen (18) weeks entitlement period

SECTION 15 - LEAVE OF ABSENCE

on a concurrent leave of absence/LTD claim, the employee may choose to maintain further pay status only as allowed under subsection A. herein.

- D. Sick leave accruals may not be used during any leave of absence, except as allowed under Section 12.3 - Policies Governing the Use of Paid Sick Leave.

15.12 Leave of Absence Replacement and Reinstatement.

Any permanent employee who requests reinstatement to the classification held by the employee in the same department at the time the employee was granted a leave of absence, shall be reinstated to a position in that classification and department and then only on the basis of seniority. In case of severance from service by reason of the reinstatement of a permanent employee, the provisions of Section 9 - Seniority, Workforce Reduction, Layoff & Reassignment shall apply.

15.13 Reinstatement From Family Care Medical Leave.

In the case of a family care or medical leave, an employee on a 5/40 schedule shall be reinstated to the same or comparable position if the return to work is after no more than ninety (90) work days of leave from the initial date of a continuous leave, including use of accruals, or within the equivalent on an alternate work schedule. A full time employee taking an intermittent or reduced work schedule leave shall be reinstated to the same or comparable position if the return to work on a full schedule is after no more than 720 hours, including use of accruals, of intermittent or reduced schedule leave. At the time the original leave is approved, the appointing authority shall notify the employee in writing of the final date to return to work, or the maximum number of hours of leave, in order to guarantee reinstatement to the same or comparable position. An employee on a schedule other than 5/40 shall have the time frame for reinstatement to the same or comparable position adjusted on a pro rata basis.

15.14 Salary Review While on Leave of Absence.

The salary of an employee who is on leave of absence from a CCCERA position on any anniversary date and who has not been absent from the position on leave without pay more than six (6) months during the preceding year, shall be reviewed on the anniversary date. Employees on military leave shall receive salary increments that may accrue to them during the period of military leave.

15.15 Unauthorized Absence.

An unauthorized absence from the work site or failure to report for duty after a leave request has been disapproved, revoked, or canceled by the appointing authority, or at the expiration of a leave, shall be without pay. Such absence may also be grounds for disciplinary action.

SECTION 16 – RETIREMENT CONTRIBUTION

15.16 Time Off to Vote.

Employees represented by the Union who do not have sufficient time outside of working hours to vote at a statewide election, may, without loss of pay, take off enough working time which will enable the employee to vote.

No more than two (2) hours of the time taken off for voting shall be without loss of pay. The time off for voting shall be only at the beginning or end of the regular working shift, whichever allows the most free time for voting and the least time off from the regular working shift.

Any employee seeking time off to vote under the provisions of this Section, must submit a written request, at least two (2) working days in advance, to his or her immediate supervisor, stating the following: name, job classification, department, a statement "I am a registered voter", geographic location and address of the employee's polling place, amount of time off requested and whether it is to be at the beginning or end of the employee's regular workday, and a clear statement as to why the employee is unable to vote during the regular hours that the polls are open.

15.17 Non-Exclusivity.

Other MOU language on this subject, not in conflict with this MOU, shall remain in effect.

SECTION 16 – RETIREMENT CONTRIBUTION

16.1 Contribution.

Effective on January 1, 2012, employees are responsible for the payment of one hundred percent (100%) of the employees' basic retirement benefit contributions determined annually by the Board of Retirement of the Contra Costa County Employees' Retirement Association without CCCERA paying any part of the employees' contribution. Employees are also responsible for the payment of the employees' contributions to the retirement cost of living program as determined annually by the Board of Retirement, without CCCERA paying any part of the employees' contributions. CCCERA is responsible for one hundred percent (100%) of the employer's retirement contributions determined annually by the Board of Retirement.

SECTION 17 - HEALTH, LIFE & DENTAL CARE

17.1 Health Plan Coverages.

Effective January 1, 2016, CCCERA will provide the medical and dental coverage for permanent employees regularly scheduled to work twenty (20) or more hours per week and for their eligible family members, expressed in one of the Health Plan contracts and one of the Dental Plan contracts between CCCERA and the following providers:

SECTION 17 - HEALTH, LIFE & DENTAL CARE

- A. CalPERS
- B. Delta Dental

17.2 Monthly Premium Subsidy.

Effective January 1, 2016, CCCERA shall offer an Internal Revenue Code Section 125 Flexible Benefits Plan that offers (i) CalPERS health plan coverages for each eligible employee and the employee's eligible family members and (ii) at least one other nontaxable benefit. CCCERA shall make monthly contributions under the plan for each eligible employee and their dependents (if applicable) up to the relevant amount set forth below. Such contributions shall consist of (i) the Minimum Employer Contribution (MEC) established by the Public Employees' Medical and Hospital Care Act, and designated by CCCERA as the MEC, and (ii) the additional amount of such contributions in excess of the MEC.

1. CalPERS:

Employee Only
\$746.47

Employee + 1
\$1,492.94

Employee + Family
\$1,940.82

2. Delta Dental:

Employee Only
\$46.21

Employee and Spouse
\$103.72

Employee and Children
\$103.41

Family
\$169.38

Any eligible employee who enrolls in health coverage with a higher total premium than CCCERA's contributions with respect to the eligible employee, as stated above, will pay the difference via pre-tax payroll deductions under the plan to the extent permitted by Internal Revenue Code Section 125.

For each health and/or dental plan, CCCERA's monthly premium subsidy is a set dollar amount and is not a percentage of the premium charged by the plan.

SECTION 17 - HEALTH, LIFE & DENTAL CARE

- A. If CCCERA contracts with a health and/or dental plan provider not listed above, the amount of the premium subsidy that CCCERA will pay to that health and/or dental plan provider for employees and their eligible family members shall not exceed the amount of the premium subsidy that CCCERA would have paid to the former plan provider.
- B. In the event that CCCERA premium subsidy amounts are greater than one hundred percent (100%) of the applicable premium of any health and/or dental plan, for any plan year, CCCERA's contribution will not exceed one hundred percent (100%) of the applicable plan premium.

17.3 Retirement Coverage.

- A. Upon Retirement:
Subject to the provisions of Section 17.3 below and upon retirement and for the term of the Agreement employees are eligible to receive the benefits provided.
 - 1. Any CCCERA retiree or their eligible dependent who becomes age 65 on or after January 1, 2010 and who is eligible for Medicare must immediately enroll in Medicare Parts A and B.
 - 2. For employees hired by Contra Costa County or CCCERA on or after January 1, 2010 and their eligible dependents, are eligible for retiree health/dental coverage upon completion of fifteen (15) years of service of which five (5) of those years must be as an active employee of CCCERA with no monthly premium subsidy paid by CCCERA for any health or dental plan after they separate from CCCERA employment. However, any such eligible employee who retires from CCCERA may retain continuous coverage of a CCCERA health and/or dental plan provided that:
 - i. he or she begins to receive a monthly retirement allowance from CCCERA within 120 days of separation from CCCERA employment and
 - ii. he or she pays the difference between the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum contribution and the premium cost of the health plan. He or she pays the full premium of the dental plan without any CCCERA premium subsidy.
 - 3. Employees hired by Contra Costa County on January 1, 2007 to December 31, 2009 and their eligible dependents, are eligible for retiree health/dental coverage premium subsidy upon completion of fifteen (15) years of service of which five (5) of those years must be as an active

SECTION 17 - HEALTH, LIFE & DENTAL CARE

employee of CCCERA. For purposes of retiree health eligibility, one year of service is defined as one thousand (1,000) hours worked within one anniversary year.

4. Employees hired by Contra Costa County on or before December 31, 2006 and their eligible dependents, may remain in their CCCERA health/dental plan, but without CCCERA-paid life insurance coverage, if immediately before their proposed retirement the employees and dependents are either active subscribers to one of the CCCERA contracted health/dental plans or if while on authorized leave of absence without pay, they have retained continuous coverage during the leave period. CCCERA will pay the health/dental plan monthly premium established by the Board of Retirement for eligible retirees and their eligible dependents.
5. All periods of benefit eligible employment will be included in the fifteen (15) years of service calculation for purposes of health and dental coverage upon retirement.
6. Employees, who resign and file for a deferred retirement and their eligible dependents, may continue in their CCCERA group health and/or dental plan under the following conditions and limitations:
 - i. Health and dental coverage during the deferred retirement period is totally at the expense of the employee, without any CCCERA contributions.
 - ii. Life insurance coverage is not included.
 - iii. To continue health and dental coverage, the employee must:
 - a. be qualified for a deferred retirement under the 1937 Retirement Act provisions;
 - b. be an active member of a CCCERA group health and/or dental plan at the time of filing their deferred retirement application and elect to continue plan benefits;
 - c. be eligible for a monthly allowance from the Retirement System and direct receipt of a monthly allowance within one hundred twenty (120) days of application for deferred retirement; and
 - d. file an election to defer retirement and to continue health benefits hereunder with CCCERA within thirty (30) days before separation from CCCERA service.
 - iv. Deferred retirees who elect continued health benefits hereunder and their eligible dependents may maintain continuous membership in their CCCERA health and/or dental plan group during the period of deferred retirement by paying the full

SECTION 17 - HEALTH, LIFE & DENTAL CARE

premium for health and dental coverage on or before the 10th of each month, to CCCERA. When the deferred retirees begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to section 7 above, as similarly situated retirees who did not defer retirement.

- v. Deferred retirees may elect retiree health benefits hereunder without electing to maintain participation in their CCCERA health and/or dental plan during their deferred retirement period. When they begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to section 7 above, as similarly situated retirees who did not defer retirement.
 - vi. Employees who elect deferred retirement will not be eligible in any event for CCCERA health and/or dental plan subvention unless the member draws a monthly retirement allowance within one hundred twenty days (120) after separation from CCCERA employment.
 - vii. Deferred retirees and their eligible dependents are required to meet the same eligibility provisions for retiree health/dental coverage as similarly situated retirees who did not defer retirement.
7. For employees who retire and are eligible to receive a medical premium subsidy that is greater than the PEMHCA minimum contribution, each month during which such retiree medical coverage continues, CCCERA will provide each such retiree with a medical expense reimbursement plan (MERP), also known as a health reimbursement arrangement (HRA), subject to Internal Revenue Code Section 105, with a monthly credit equal to the excess of (i) the relevant medical coverage monthly premium subsidy set forth in Section 17.2 for such eligible retiree and his or her eligible family members over (ii) the then current MEC.

17.4 Health Plan Coverages and Provisions.

The following provisions are applicable regarding CCCERA Health and Dental Plan participation:

- A. Coverage Upon Separation: An employee who separates from CCCERA employment is covered by his/her CCCERA health and/or dental plan through the last day of the month in which he/she separates. Employees who separate from CCCERA employment may continue group health and/or dental plan coverage to the extent provided by the COBRA laws and regulations.

SECTION 17 - HEALTH, LIFE & DENTAL CARE

17.5 Family Member Eligibility Criteria.

The following persons may be enrolled as the eligible Family Members of a medical and/or dental plan Subscriber:

A. Health Insurance

1. Eligible Dependents:

- a. Employee's Legal Spouse
- b. Employee's qualified domestic partner
- c. Employee's child to age 26
- d. Employee's Disabled Child who is:
 1. over age 26,
 - i. Unmarried; and,
 - ii. Incapable of sustaining employment due to a physical or mental disability that existed prior to the child's attainment of age 19.

2. "Employee's child" includes natural child, child of a qualified domestic partner, step-child, adopted child and a child specified in a Qualified Medical Child Support Order (QMCSO) or similar court order.

B. Dental Insurance

1. Eligible Dependents:

- a. Employee's Legal Spouse
- b. Employee's qualified domestic partner
- c. Employee's unmarried child who is:
 1. Under age 19; or
 2. Age 19, or above, but under age 24; and,
 - i. Resides with the Employee for more than 50% of the year excluding time living at school; and,
 - ii. Receives at least 50% of support from Employee; and,
 - iii. Is enrolled and attends school on a full-time basis, as defined by the school.
- d. Employee's Disabled Child who is:
 1. Over age 19,
 - i. Unmarried; and,
 - ii. Incapable of sustaining employment due to a physical or mental disability that existed prior to the child's attainment of age 19.

2. "Employee's child" includes natural child, child of a qualified domestic partner, step-child, adopted child and a child specified in a Qualified Medical Child Support Order (QMCSO) or similar court order.

SECTION 17 - HEALTH, LIFE & DENTAL CARE

17.6 Dual Coverage.

- A. Each employee and retiree may be covered only by a single CCCERA health (and/or dental) plan. For example, a CCCERA employee may be covered under a single CCCERA health and/or dental plan as either the primary insured or the dependent of another CCCERA employee or retiree, but not as both the primary insured and the dependent of another CCCERA employee or retiree.
- B. All dependents, as defined in Section 17.5, Family Member Eligibility Criteria, may be covered by the health and/or dental plan of only one spouse or one domestic partner. For example, when both husband and wife are CCCERA employees, all of their eligible children may be covered as dependents of either the husband or the wife, but not both.

17.7 Life Insurance Benefit Under Health and Dental Plans.

For employees who are enrolled in CCCERA's program of medical or dental coverage as either the primary or the dependent, term life insurance in the amount of ten thousand dollars (\$10,000) will be provided by CCCERA.

17.8 Supplemental Life Insurance.

In addition to the life insurance benefits provided by this agreement, employees may subscribe voluntarily and at their own expense for supplemental life insurance. Employees may subscribe for an amount not to exceed five hundred thousand dollars (\$500,000), of which one hundred thousand (\$100,000) is a guaranteed issue, provided the election is made within the required enrollment periods.

17.9 Health Care Spending Account.

After six (6) months of permanent employment, full time and part time (20/40 or greater) employees may elect to participate in a Health Care Spending Account (HCSA) Program designed to qualify for tax savings under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a predetermined amount of money from their pay, not to exceed the maximum amount authorized by federal law, per calendar year, of before tax dollars, for health care expenses not reimbursed by any other health benefit plans. HCSA dollars may be expended on any eligible medical expenses allowed by Internal Revenue Code Section 125. Any unused balance is forfeited and cannot be recovered by the employee.

17.10 PERS Long-Term Care.

CCCERA will deduct and remit monthly premiums to the PERS Long-Term Care Administrator for employees who are eligible and voluntarily elect to purchase long-term care at their personal expense through the PERS Long-Term Care Program.

SECTION 17 - HEALTH, LIFE & DENTAL CARE

17.11 Dependent Care Assistance Program.

CCCERA offers the option of enrolling in a Dependent Care Assistance Program (DCAP) designed to qualify for tax savings under Section 129 of the Internal Revenue Code, but such savings are not guaranteed. The program allows employees to set aside up to five thousand dollars (\$5,000) of annual salary (before taxes) per calendar year to pay for eligible dependent care (child and elder care) expenses. Any unused balance is forfeited and cannot be recovered by the employee.

17.12 Premium Conversion Plan.

CCCERA offers the Premium Conversion Plan (PCP) designed to qualify for tax savings under Section 125 of the Internal Revenue Code, but tax savings are not guaranteed. The program allows employees to use pre-tax dollars to pay health and dental premiums.

17.13 Prevailing Section.

To the extent that any provision of this Section (Section 17 Health, Life & Dental Care) is inconsistent with any provision of any other CCCERA enactment or policy, including but not limited to the Personnel Policies, or any other agreement or order of the Board of Retirement, the provision(s) of this Section (Section 17 - Health, Life & Dental Care) will prevail.

17.14 Rate Information.

CCCERA Human Resources will make health and dental plan rate information available upon request to employees and departments. In addition, CCCERA Human Resources will publish and distribute to employees and departments information about rate changes as they occur during the year.

17.15 Partial Month.

CCCERA's contribution to the health plan premium is payable for any month in which the employee is paid. If an employee is not paid enough compensation in a month to pay the employee share of the premium, the employee must make up the difference by remitting the amount delinquent to Human Resources. The responsibility for this payment rests with the employee. If payment is not made, the employee shall be dropped from the health plan.

17.16 Coverage During Absences.

Employees shall be allowed to maintain their health plan coverage at CCCERA group rate for twelve (12) months if on approved leave of absence provided that the employee shall pay the entire premium (i.e. both employer and employee share) for the health plan during said leave. Said payment shall be made by the employee at a time and place specified by CCCERA. Late payment shall result in cancellation of health plan coverage.

SECTION 18 - PROBATIONARY PERIOD

An employee on leave in excess of twelve (12) months may continue group coverage subject to the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA) provided the employee pays the entire cost of coverage, plus any administrative fees, for the option selected. The entire cost of coverage shall be paid at a place and time specified by CCCERA. Late payment may result in cancellation of health plan coverage with no reinstatement allowed.

SECTION 18 - PROBATIONARY PERIOD

18.1 Duration.

All appointments from officially promulgated employment lists for original entrance or promotion shall be subject to a probationary period. For original entrance appointments, the probationary period shall be nine (9) months. For promotional appointments, the probation period shall be six (6) months.

18.2 Revised Probationary Period.

When the probationary period for a class is changed, only new appointees to positions in the classification shall be subject to the revised probationary period.

18.3 Criteria.

The probationary period shall date from the time of appointment to a permanent position after certification from an eligible list. It shall not include time served under provisional appointment or under appointment to limited term positions or any period of continuous leave of absence without pay or period of work connected disability exceeding fifteen (15) calendar days.

18.4 Rejection During Probation.

An employee who is rejected during the probation period and restored to the eligible list shall begin a new probationary period if subsequently certified and appointed.

- A. Appeal From Rejection. Notwithstanding any other provisions of this section, an employee (probationer) shall have the right to appeal from any rejection during the probationary period based on political, or religious, or union activities, or race, color, national origin, sex, age, disability, or sexual orientation. Such appeal must be in writing and to the CEO or designee. The CEO or designee shall consider the appeal and shall upon request meet with the employee and his/her representative. The CEO or designee shall issue a final decision on the appeal within ten business days of receipt of the appeal.

SECTION 19 – PROMOTION/EXAMINATIONS

18.5 Regular Appointment.

The regular appointment of a probationary employee will begin on the day following the end of the probationary period. A probationary employee may be rejected at any time during the probation period without regard to the Skelly provisions of this MOU, without notice and without right of appeal or hearing, except as provided in Section 18.4.A.

Notwithstanding any other provisions of the MOU, an employee rejected during the probation period from a position to which the employee had been promoted or transferred from an eligible list, shall be restored to the position from which the employee was promoted or transferred.

18.6 Layoff During Probation.

An employee who is laid off during probation, if reemployed in the same class by the same department, shall be required to complete only the balance of the required probation.

If reemployed in another classification, the employee shall serve a full probationary period. An employee appointed to a permanent position from a layoff or reemployment list is subject to a probation period if the position is in a department other than the department from which the employee separated, displaced, or voluntarily demoted in lieu of layoff. An appointment from a layoff or reemployment list is not subject to a probation period if the position is in the department from which the employee separated, displaced or voluntarily demoted in lieu of layoff.

18.7 Rejection During Probation of Layoff Employee.

An employee who has achieved permanent status in the class before layoff and who subsequently is appointed from the layoff list and then rejected during the probation period shall be automatically restored to the layoff list, unless discharged for cause, if the person is within the period of layoff eligibility. The employee shall begin a new probation period if subsequently certified and appointed in a different department or classification than that from which the employee was laid off.

SECTION 19 – PROMOTION/EXAMINATIONS

19.1 Competitive Exam.

Promotion shall be by competitive examination unless otherwise provided in this MOU.

19.2 Promotion Policy.

Human Resources, upon request of an appointing authority, shall determine whether an examination is to be called on a promotional basis.

19.3 Open Exams.

SECTION 19 – PROMOTION/EXAMINATIONS

If an examination for one of the classes represented by the Union is proposed to be announced on an open only basis, Human Resources shall give five (5) days prior notice of such proposed announcement and shall meet at the request of the Union to discuss the reasons for such open announcement.

19.4 Disqualification From Taking Examination.

If an employee is disqualified from taking an examination, the employee may appeal in writing to the CEO or designee within three working days. The CEO or designee shall consider the appeal and upon request meet with the employee and his or her representative.

19.5 Release Time for Examinations.

Permanent employees shall be granted release time from work without loss of pay to take CCCERA examinations or take interviews for a CCCERA position provided the employee gives their Department sufficient notice of the need for time off. Managers conducting interviews should provide an adequate and appropriate schedule for the interview to ensure that any operational impact that may be caused by an employee's absence to attend the interview will be minimized.

19.6 Promotion Via Reclassification Without Exam.

Notwithstanding other provisions of this Section, an employee may be promoted from one classification to a higher classification and his/her position reclassified at the request of the appointing authority and under the following conditions:

- A. An evaluation of the position(s) in question must show that the duties and responsibilities have significantly increased and constitute a higher level of work.
- B. The incumbent of the position must have performed at the higher level for six (6) months.
- C. The incumbent must meet the minimum education and experience requirements for the higher class.
- D. The action must have approval of the appointing authority.
- E. The Union approves such action.
- F. Except in unique situations approved by the appointing authority, the employee must have passed the examination, if any, for the classification and be on the eligible list.

The appropriate rules regarding probationary status and salary on promotion are applicable.

SECTION 20 – PERFORMANCE EVALUATIONS

19.7 Requirements for Promotional Standing.

In order to qualify for an examination called on a promotional basis, an employee must have probationary or permanent status and must possess the minimum qualifications for the class. Applicants will be admitted to promotional examinations only if the requirements are met on or before the final filing date. If an employee who is qualified on a promotional employment list is separated from CCCERA, except by layoff, the employee's name shall be removed from the promotional list.

19.8 Promotion Preference.

CCCERA agrees to include on all job announcements the wording “Preference will be granted to applicants with experience in the County Employees’ Retirement Law of 1937 (CERL or 1937 Act).”

SECTION 20 – PERFORMANCE EVALUATIONS

A. **Goal:** A basic goal of the employee evaluation is to help each employee perform his/her job more effectively to the mutual benefit of the employee and CCCERA. The evaluation process provides an ongoing means of evaluating an employee's job performance and promoting the improvement of the job performance. The evaluation process also provides the opportunity to recognize and document outstanding service as well as service that has been unsatisfactory to CCCERA.

B. Frequency of Evaluation.

1. Probationary employees must be evaluated at least once during their probationary period.
2. Permanent employees may be evaluated every calendar year.

C. Procedure.

1. An employee will generally be evaluated by the first level management supervisor above the employee.
2. It will be necessary in some cases for a supervisor to consult with the employee's immediate work director in order to make a comprehensive evaluation.
3. Where feasible, evaluations will be based primarily on observation by the evaluator of the employee in the performance of his/her duties.
4. An employee will be informed in advance of a meeting with his/her supervisor to discuss the employee's evaluation.
5. The employee will be provided his/her evaluation in writing on the CCCERA evaluation form.

SECTION 21 - DISMISSAL, SUSPENSION, TEMPORARY REDUCTION IN PAY, AND DEMOTION

6. The employee has the right to prepare and have attached to the evaluation form any written comments that the employee wishes to make.
7. When an employee is rated below satisfactory on any factor, the evaluation will give the reasons for such rating and include specific recommendations for improvement in writing.
8. Any rating below average or unsatisfactory must be supported by explanation received by the employee prior to the evaluation presentation.
9. The employee's signing of an evaluation form does not mean that the employee agrees with the evaluation, but it does mean that the employee has had the opportunity to discuss the evaluation with his/her evaluator.
10. The employee will be given a copy of his/her completed evaluation form at the time the form is signed by the employee.
11. Nothing may be added by management to an evaluation after the employee has signed and received a copy of the evaluation, without the employee's written acknowledgment.

Failure to follow the foregoing procedure is subject to the grievance procedure. However, disputes over the actual content or ratings themselves in individual evaluations are not grievable,

SECTION 21 - DISMISSAL, SUSPENSION, TEMPORARY REDUCTION IN PAY, AND DEMOTION

21.1 Sufficient Cause for Action.

The appointing authority may dismiss, suspend, temporarily reduce pay, or demote any employee for cause. A temporary reduction in pay is not to exceed more than five percent (5%) for a period of up to three (3) months. Suspensions without pay shall not exceed thirty (30) calendar days unless ordered by an arbitrator or an adjustment board.

The following are sufficient causes for such action; the list is indicative rather than inclusive of restrictions and dismissal, suspension, temporary reduction in pay, or demotion may be based on reasons other than those specifically mentioned:

- A. absence without leave,
- B. conviction of any criminal act involving moral turpitude,
- C. disorderly or immoral conduct,
- D. incompetence or inefficiency,
- E. insubordination,

SECTION 21 - DISMISSAL, SUSPENSION, TEMPORARY REDUCTION IN PAY, AND DEMOTION

- F. being at work under the influence of liquor or drugs, carrying onto the premises liquor or drugs or consuming or using liquor or drugs during work hours and/or on CCCERA premises,
- G. neglect of duty, i.e. non-performance of assigned responsibilities,
- H. negligent or willful damage to public property or waste of public supplies or equipment,
- I. violation of any lawful or reasonable regulation or order given by a supervisor or Department Manager,
- J. willful violation of any of the provisions of the Personnel Policies,
- K. material and intentional misrepresentation or concealment of any fact in connection with obtaining employment,
- L. misappropriation of CCCERA funds or property,
- M. unreasonable failure or refusal to undergo any physical, medical and/or psychiatric exam and/or treatment authorized by this MOU,
- N. dishonesty or theft,
- O. excessive or unexcused absenteeism and/or tardiness.
- P. sexual harassment, including but not limited to unwelcome sexual advances, requests for sexual favors, and other verbal, or physical conduct of a sexual nature, when such conduct has the purpose or effect of affecting employment decisions concerning an individual, or unreasonably interfering with an individual's work performance, or creating an intimidating and hostile working environment.

21.2 Skelly Requirements - Notice of Proposed Action (Skelly Notice).

Before taking a disciplinary action to dismiss, suspend for more than three (3) work days, temporarily reduce the pay of, or demote an employee, the appointing authority shall cause to be served personally or by certified mail, on the employee, a Notice of Proposed Action, which shall contain the following:

- A. A statement of the action proposed to be taken.
- B. A copy of the charges, including the acts or omissions and grounds upon which the action is based.
- C. If it is claimed that the employee has violated a rule or regulation of CCCERA,, a copy of said rule shall be included with the notice.

SECTION 21 - DISMISSAL, SUSPENSION, TEMPORARY REDUCTION IN PAY, AND DEMOTION

- D. A statement that the employee may review and request copies of materials upon which the proposed action is based.
- E. A statement that the employee has seven (7) calendar days to respond to the appointing authority either orally or in writing.

21.3 Skelly Requirements - Notice to Union.

In addition to the Notice of Proposed Action, the appointing authority will serve the employee with a document that gives the employee the option of authorizing CCCERA to provide his/her union with a copy of the Notice of Proposed Action. If the employee signs the authorization document and returns it to the appointing authority, the appointing authority will thereafter, within one work day, provide a copy of the employee's Notice of Proposed Action to his/her union, as authorized.

21.4 Employee Response.

The employee upon whom a Notice of Proposed Action has been served shall have seven (7) calendar days to respond to the appointing authority either orally or in writing before the proposed action may be taken. Upon request of the employee and for good cause, the appointing authority may extend in writing the period to respond. If the employee's response is not filed within seven (7) calendar days or during any extension, the right to respond is lost.

21.5 Leave Pending Employee Response.

Pending response to a Notice of Proposed Action within the first seven (7) calendar days or extension thereof, the appointing authority for cause specified in writing may place the employee on temporary leave of absence, with pay.

21.6 Order and Notice of Action.

- A. In any disciplinary action to dismiss, suspend, temporarily reduce pay, or demote an employee having permanent status in a position in the Merit System, after having complied with the Skelly requirements where applicable, the appointing authority shall make an order in writing stating specifically the causes for the action.
- B. **Service of Order.** Said order of dismissal, suspension, temporary reduction of pay, or demotion shall be filed with the Administrative/Human Resources Manager, showing by whom and the date a copy was served upon the employee to be dismissed, suspended or demoted, either personally or by certified mail to the employee's last known mailing address. The order shall be effective either upon personal service or deposit in the U. S. Postal Service.
- C. **Employee Appeals from Order.** The employee may appeal an order of dismissal, suspension, temporary reduction of pay, or demotion through the procedures of Section 22 - Grievance Procedure of this MOU provided that such

SECTION 22 - GRIEVANCE PROCEDURE

appeal is filed in writing with the Administrative/Human Resources Manager within ten (10) calendar days after service of said order.

21.7 Order and Notice of Action – Notice to Union.

A. In addition to the Order and Notice, the appointing authority will serve the employee with a document that gives the employee the option of authorizing CCCERA to provide his/her union with a copy of the Order and Notice. If the employee signs the authorization document and returns it to the appointing authority, the appointing authority will thereafter, within one work day, provide a copy of the employee's Order and Notice to his/her union, as authorized.

21.8 Disciplinary Actions.

If the employee so requests in writing a copy of any written disciplinary action affecting an employee, it shall be furnished to the Union.

21.9 Weingarten Rights.

CCCERA recognizes an employee's right to representation during an investigatory interview or meeting that may result in discipline. CCCERA shall not interfere with the representative's right to assist an employee to clarify the facts during the interview. If the employee requests a union representative, the investigatory interview shall be temporarily recessed for a reasonable period of time until a union representative can be present. For those interviews, which by nature of the incident must take place immediately, the union will take reasonable steps to make a union representative immediately available.

The employer shall inform the employee of the general nature of the investigation at the time the employer directs the employee to be interviewed.

SECTION 22 - GRIEVANCE PROCEDURE

22.1 Definition and Procedure.

A grievance is any dispute which involves the interpretation or application of any provision of this MOU excluding, however, those provisions of this MOU which specifically provide that the decision of any CCCERA official shall be final, the interpretation or application of those provisions not being subject to the grievance procedure. The Union may represent the grievant at any stage of the process.

Grievances must be filed within thirty (30) calendar days of the incident or occurrence about which the grievant claims to have a grievance and shall be processed in the following manner:

Step 1. Any employee or group of employees who believes that a provision of this MOU has been misinterpreted or misapplied to his or her detriment shall discuss the complaint with the grievant's immediate supervisor or designee, who shall meet with the

SECTION 22 - GRIEVANCE PROCEDURE

grievant within five (5) work days of receipt of a written request to hold such meeting. Grievances challenging suspensions, reductions in pay, demotions and terminations may be filed at Step 3 within the time frame set forth above.

Step 2. If a grievance is not satisfactorily resolved in Step 1 above, the grievant may submit the grievance in writing within ten (10) work days to such management official as the Department Manager may designate. This formal written grievance shall state which provision of the MOU has been misinterpreted or misapplied, how misapplication or misinterpretation has affected the grievant to the grievant's detriment, and the redress he or she seeks. A copy of each written communication on a grievance shall be filed with the Administrative/ Human Resources Manager. The Department Manager or his or her designee shall have ten (10) work days in which to respond to the grievance in writing.

Step 3. If a grievance is not satisfactorily resolved in Step 2 above, the union may appeal in writing within ten (10) work days to the Administrative/Human Resources Manager. The Administrative/Human Resources Manager shall have twenty (20) work days in which to investigate the merits of the complaint and to meet together at the same time with the Department Manager or his/her designee, the grievant, and the union. For grievances involving interpretation of this MOU, the Administrative/Human Resources Manager will decide the grievance on its merits and provide the grievant, the union, and the Department with a written decision within fifteen (15) workdays of the date of the Step 3 Meeting, unless more time is granted by mutual agreement.

For grievances involving appeals from disciplinary action, the Administrative/Human Resources Manager will attempt to resolve the grievance. In the event that the grievance is not resolved, the Administrative/Human Resources Manager will provide written notice of that fact to the grievant, the union, and the Department within twenty (20) workdays of the date of the Step 3 meeting, unless more time is granted by mutual agreement.

Step 4 Mediation. No grievance may be processed under this Section which has not first been filed and investigated in accordance with Step 3 above. If the parties are unable to reach a mutually satisfactory accord on any grievance that is presented at Step 3 the union may appeal the grievance and request mediation in writing to the Administrative/Human Resources Manager within ten (10) work days of the date of the written response at Step 3. This step of the grievance procedure may be waived by the written mutual agreement of the parties.

Step 5. If the parties are unable to reach a resolution of the grievance at Step 4, either the Union or CCCERA, whichever is the moving party, may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Union and the Administrative/Human Resources Manager. Such request shall be submitted within twenty (20) work days of the completion of mediation at Step 4. Within twenty (20) work days of the request for arbitration the parties shall mutually select an arbitrator who shall render a decision within thirty (30) work days from the date of final submission of the grievance including receipt of the court reporter's transcript and post-hearing briefs, if any. The fees and expenses of the

SECTION 22 - GRIEVANCE PROCEDURE

arbitrator and of the Court Reporter shall be shared equally by the Union and CCCERA. Each party, however, shall bear the costs of its own presentation, including preparation and post hearing briefs, if any.

22.2 Scope of Arbitration Decisions.

- A. Decisions of Arbitrators, on matters properly before them, are final and binding on the parties hereto, to the extent permitted by law.
- B. No Arbitrator may entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Union which has been certified as the recognized employee organization for such unit and under such dispute falls within the definition of a grievance as set forth in Subsection 22.1 above.
- C. Proposals to add to or change this MOU or to change written agreements supplementary hereto shall not be arbitrable and no proposal to modify, amend, or terminate this MOU, nor any matter or subject arising out of or in connection with such proposals, may be referred to arbitration under this Section. No Arbitrator has the power to amend or modify this MOU or written agreements supplementary hereto or to establish any new terms or conditions of employment.
- D. If the Administrative/Human Resources Manager, pursuant to the procedures outlined in Step 3 above or Step 4 above resolves a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time.
- E. No change in this MOU or interpretations thereof (except interpretations resulting from arbitration) will be recognized unless agreed to by CCCERA and the Union.

22.3 Time Limits.

The time limits specified above may be waived by mutual agreement of the parties to the grievance. If CCCERA fails to meet the time limits specified in Steps 1 through 3 above, the grievance will automatically move to the next step. If a grievant fails to meet the time limits specified in Steps 1 through 3 above, the grievance will be deemed to have been settled and withdrawn.

22.4 Union Notification.

An official, with whom a formal grievance is filed by a grievant who is included in a unit represented by the Union, but is not represented by the Union in the grievance, shall give the Union a copy of the formal presentation.

22.5 Filing by Union.

The Union may file a grievance at Step 3 on behalf of affected employees when action by the CCCERA CEO or Board violates a provision of this MOU.

SECTION 23 – PERSONNEL FILES

22.6 Disputes Over Existence of Grievance.

Disputes over whether a grievance exists as defined in Section 22.1 shall be resolved through the grievance procedure.

SECTION 23 – PERSONNEL FILES

CCCERA shall maintain only one official personnel file per employee. Employees shall have the right to inspect and review any official record(s) relating to his or her performance as an employee or to a grievance concerning the employee which is kept or maintained by CCCERA in the employee's personnel file in the Human Resources Department. The employee's union representative, with written authorization by the employee, shall also have the right to inspect and review any official record(s) described above. The contents of such records shall be made available to the employee and/or the employee's union representative for inspection and review at reasonable intervals during the regular business hours of CCCERA.

Letters of reprimand are subject to the grievance procedure but shall not be processed past Step 3 unless said letters are used in a subsequent discharge, suspension or demotion of the employee, in which case an appeal of the letters of reprimand may be considered at the same time as the appeal of the disciplinary action. Copies of written reprimands or memoranda pertaining to an employee's unsatisfactory performance which are to be placed in the employee's personnel file shall be given to the employee who shall have the right to respond in writing to said documents.

Derogatory material in an employee's personnel file (such as warning letters) over two (2) years old will not be used in a subsequent disciplinary action unless directly related to the action upon which the discipline is taken. Derogatory material does not include prior suspensions, demotions or dismissals for cause.

CCCERA shall provide an opportunity for the employee to respond in writing to any information which is in the employee's personnel file about which he or she disagrees. Such response shall become a permanent part of the employee's personnel record. The employee shall be responsible for providing the written responses to be included as part of the employee's permanent personnel record.

Counseling memos, which are not disciplinary in nature, are to be retained in the file maintained by the employee's supervisor or the person who issued the counseling memo and are not to be transferred to the employee's central file which is normally retained by the Human Resources Department unless such memos are subsequently used in conjunction with a disciplinary action such as a letter of reprimand.

This section does not apply to the records of an employee relating to the investigation of a possible criminal offense, medical records and information or letters of reference.

Employees have the right to review their official personnel files which are maintained in the Human Resources Department during their work hours. For those employees whose work hours do not coincide with CCCERA's business hours, management shall provide a copy of the employee's personnel file for their review. The Custodian of records will certify that the copy is a true and correct copy of the original file. In a case involving a grievance or disciplinary action, the employee's

SECTION 24 – RESIGNATIONS

designated representative may also review his/her personnel file with specific written authorization from the employee.

SECTION 24 – RESIGNATIONS

An employee's voluntary termination of service is a resignation. Written resignations shall be forwarded to the Human Resources Department by the appointing authority immediately on receipt, and shall indicate the effective date of termination. Oral resignation shall be immediately confirmed by the appointing authority in writing to the employee and to the Human Resources Department and shall indicate the effective date of termination.

24.1 Resignation in Good Standing.

A resignation giving the appointing authority written notice at least two (2) weeks in advance of the last date of service (unless the appointing authority requires a longer period of notice, or consents to the employee's terminating on shorter notice) is a resignation in good standing.

24.2 Constructive Resignation.

A constructive resignation occurs and is effective when:

- A. An employee has been absent from duty for five (5) consecutive working days without leave; and
- B. Five (5) more consecutive working days have elapsed without response by employee after the mailing of a notice of resignation by the appointing authority to the employee at the employee's last known address.
- C. The letter to the employee will include a document that gives the employee the option of authorizing CCCERA to provide his/her union with a copy of the constructive resignation letter. If the employee signs the authorization document and returns it to the appointing authority, the appointing authority will thereafter, within one work day, provide a copy of the constructive resignation letter to the employee's union, as authorized.

24.3 Effective Resignation.

A resignation is effective when delivered or spoken to the appointing authority, operative either on that date or another date specified.

24.4 Revocation.

A resignation that is effective is revocable only by written concurrence of the employee and the appointing authority, except that an oral resignation that is rescinded in writing and delivered to the appointing authority by the end of the workday following the oral resignation must be accepted by the appointing authority.

24.5 Coerced Resignations.

- A. **Time Limit.** A resignation which the employee believes has been coerced by the appointing authority may be revoked within seven (7) calendar days after its expression, by serving written notice on the Administrative/Human Resources Manager and a copy on the appointing authority.
- B. **Reinstatement.** If the appointing authority acknowledges that the employee could have believed that the resignation was coerced, it shall be revoked and the employee returned to duty effective on the day following the appointing authority's acknowledgment without loss of seniority or pay.
- C. **Contest.** Unless, within seven (7) days of the receipt of the notice, the appointing authority acknowledges that the resignation could have been believed to be coerced, this question should be handled as an appeal to the Board. In the alternative, the employee may file a written election with the Administrative/Human Resources Manager waiving the employee's right of appeal to the Board in favor of the employee's appeal rights under the grievance procedure contained in Section 22 – Grievance Procedure of the MOU beginning with Step 3.
- D. **Disposition.** If a final decision is rendered that determines that the resignation was coerced, the resignation shall be deemed revoked and the employee returned to duty effective on the day following the decision but without loss of seniority or pay, subject to the employee's duty to mitigate damages.

24.6 Eligibility for Reemployment.

Within one (1) year of resignation in good standing from CCCERA service, a person who has had permanent status which included satisfactory completion of probation may make application by letter to the Administrative/Human Resources Manager for placement on a reemployment list as follows: the class from which the person resigned; or any one class of equal or lesser rank in the occupational series and in which the person had previously attained permanent status; or for any class which has replaced the class in which the person previously had status, provided that the person meets the minimum requirements for the new class. If the appointing authority recommends reemployment the Administrative/Human Resources Manager shall grant reemployment privileges to the person. Consideration of names from a reemployment list is mandatory if the appointing authority recommended reemployment of the individual(s) listed but is optional for other appointing authorities. Names may be removed from reemployment lists in accordance with the provisions of Section 9.2(J) – Removal of Names from Reemployment & Layoff Lists of this MOU.

SECTION 25 – JURY DUTY AND WITNESS DUTY

SECTION 25 – JURY DUTY AND WITNESS DUTY

25.1 Jury Duty.

For purposes of this Section, jury duty shall be defined as any time an employee is obligated to report to the court.

When called for jury duty, CCCERA employees, like other citizens, are expected to discharge their jury duty responsibilities.

Employees shall advise their department as soon as possible if scheduled to appear for jury duty.

If summoned for jury duty in a Superior, Federal Court, or a Coroner's jury, employees may remain in their regular CCCERA pay status, or they may take paid leave (vacation, floating holiday, etc.) or leave without pay and retain all fees and expenses paid to them.

When an employee is summoned for jury duty selection or is selected as a juror in a Superior or Federal Court, employees may remain in a regular pay status if they waive all fees (other than mileage), regardless of shift assignment and the following shall apply:

- A. If an employee elects to remain in a regular pay status and waive or surrender all fees (other than mileage), the employee shall obtain from the Clerk or Jury Commissioner a certificate indicating the days attended and noting that fees other than mileage are waived or surrendered. The employee shall furnish the certificate to Human Resources where it will be retained. No "Absence/Overtime Record" is required.
- B. An employee who elects to retain all fees must take leave (vacation, floating holiday, etc.) or leave without pay. No court certificate is required but an "Absence/Overtime Record" must be submitted to the payroll clerk.

Employees are not permitted to engage in any employment regardless of shift assignment or occupation before or after daily jury service that would affect their ability to properly serve as jurors.

An employee on short notice standby to report to court, whose job duties make short notice response impossible or impractical, shall be given alternate work assignments for those days to enable them to respond to the court on short notice.

When an employee is required to serve on jury duty, CCCERA will adjust that employee's work schedule to coincide with a Monday to Friday schedule for the remainder of their service, unless the employee requests otherwise. Participants in 4/10 work schedules will not receive overtime or comp. time credit for Jury Duty on their scheduled days off.

Permanent-intermittent employees are entitled to paid jury duty leave only for those days on which they were previously scheduled to work.

25.2 Witness Duty.

Employees called upon as a witness or an expert witness in a case arising in the course of their work or the work of another department may remain in their regular pay status and turn over to CCCERA all fees and expenses/ paid to them, other than mileage allowance, or they may take vacation leave or leave without pay and retain all fees and expenses.

Employees called to serve as witnesses in private cases or personal matters (e.g., accident suits and family relations) shall take vacation leave or leave without pay and retain all witness fees paid to them.

Retention or waiver of fees shall be governed by the same provisions as apply to jury duty as set forth in Section 25 – Jury Duty and Witness Duty of this MOU. Employees shall advise their department as soon as possible if scheduled to appear for witness duty. Permanent-intermittent employees are entitled to paid witness duty only for those days on which they were previously scheduled to work.

SECTION 26 – REIMBURSEMENT

26.1 Training Reimbursement.

CCCERA polices shall govern reimbursement for training and shall limit reimbursement for career development training to seven hundred fifty dollars (\$750) per year, except as otherwise provided in the supplemental sections of this MOU. Registration and tuition fees for career development education may be reimbursed for up to fifty percent (50%) of the employee's net cost. Books necessary for courses taken for career development education may be reimbursed for up to one hundred percent (100%) of the employee's net cost.

26.2 Personal Property Reimbursement.

The loss or damage to personal property of employees is subject to reimbursement under the following conditions:

- A. The loss or damage must result from an event which is not normally encountered or anticipated on the job and which is not subject to the control of the employee.
- B. Ordinary wear and tear of personal property used on the job is not compensated.
- C. Employee tools or equipment, provided without the express approval of the appointing authority, and automobiles are excluded from reimbursement.
- D. The loss or damage must have occurred in the line of duty.

SECTION 26 – REIMBURSEMENT

- E. The loss or damage was not a result of negligence or lack of proper care by the employee.
- F. The personal property was necessarily worn or carried by the employee in order to adequately fulfill the duties and requirements of the job.
- G. The loss or damage to employee's eyeglasses, dentures, or other prosthetic devices did not occur simultaneously with a job connected injury covered by workers' compensation.
- H. The amount of reimbursement shall be limited to the actual cost to repair damages. Reimbursement for items damaged beyond repair shall be limited to the actual value of the item at the time of loss or damage but not more than the original cost.
- I. The burden of proof of loss rests with the employee.

26.3 Reimbursement for Meal Expenses.

Employees shall be reimbursed for meal expenses under the following circumstances and in the amount specified in CCCERA policies:

- A. When the employee is required to be out of his/her regular or normal work area during a meal hour because of a particular work assignment and with prior approval of the department manager or his designee.
- B. When the employee is required to stay over to attend consecutive or continuing afternoon and night sessions of a board or commission.
- C. When the employee is required to incur expenses as host for official guests of CCCERA, work as members of examining boards, official visitors, and speaker or honored guests at banquets or other official functions.

When the employee is required to work three (3) or more hours of overtime, or scheduled to work overtime with less than twenty-four (24) hours notice; in this case he/she may be reimbursed in accordance with the CCCERA Policies.

Meal costs will be reimbursed only when eaten away from home.

Procedures and definitions relative to reimbursement for meal expenses shall be in accordance with CCCERA Policies.

SECTION 27 – CLASSIFICATIONS

SECTION 27 – CLASSIFICATIONS

Existing classes of positions may be abolished or changed and new classes may be added to the classification plan by the Administrative/Human Resources Manager subject to approval by the Board. CCCERA will offer to meet and confer with the Union on the minimum qualifications and salary of new classes and on any proposed changes in the minimum qualifications in current classes represented by the Union.

If CCCERA wishes to add duties to classes represented by the Union, the Union shall be notified and upon request of the Union, representatives of CCCERA will meet and consult with the Union over such duties.

SECTION 28 - SAFETY

CCCERA shall expend every effort to see to it that the work performed under the terms and conditions of this MOU is performed with a maximum degree of safety consistent with the requirement to conduct efficient operations. CCCERA is aware of the U.S. Supreme Court "Whirlpool" decision regarding safe working conditions and will continue to comply with all of the provisions of that decision. The Union may recommend safety guidelines, regulations, training programs and necessary corrective actions concerning conditions associated with the work environment. Representatives of the Union may want to discuss the participation of the employees it represents on existing departmental safety committees. If CCCERA agrees, the Union may designate a representative to participate in any established Safety Committee. The Union shall appoint all labor representatives to the Committee. All Safety Committees shall schedule their meetings.

28.1 CVC Users Eye Examination.

CCCERA will pay 100% of the employee only premium for EyeMed Option 2 vision coverage and up to two hours of CCCERA paid time for exam and to obtain glasses. Employees may obtain spouse and dependent coverage at their own cost.

SECTION 29 - MILEAGE

29.1 Mileage Reimbursement Rate.

Mileage allowance for the use of personal vehicles on CCCERA business shall be paid according to the rates allowed by the Internal Revenue Service and shall be adjusted to reflect changes in this rate on the date it becomes effective or the first of the month following announcement of the changed rate by the Internal Revenue Service, whichever is later.

29.2 Mileage Reimbursement Policy.

Mileage from an employee's home to the normal work location is not reimbursable. The normal work location is the location to which an employee is regularly assigned. An

employee with more than one (1) normal work location shall be reimbursed for the mileage traveled in the same work day between those work locations.

When an employee is temporarily reassigned to a different work location, mileage will be reimbursed in excess of the normal mileage between the employee's home and the regular work location.

SECTION 30 - SERVICE AWARDS

CCCERA shall continue its present policy with respect to service awards including time off; provided, however, that the type of award given shall be at the sole discretion of CCCERA.

The following procedures shall apply with respect to service awards:

- A. Presentation Before the Board. An employee with five (5) or more years of service may go before the Board to receive his/her Service Award. The CEO or designee will make arrangements for the presentation ceremony before the Board and notify the employee as to the time and date of the Board meeting.
- B. Service Award Day Off. Employees with fifteen (15) or more years of service are entitled to take a day off with pay at each five (5) year anniversary.

SECTION 31 - LENGTH OF SERVICE DEFINITION

(For Service Awards & Vacation Accruals)

The length of service credits of each employee of CCCERA shall date from the beginning of the last period of continuous County and/or CCCERA employment (including temporary, provisional, and permanent status, and absences on approved leave of absence). When an employee separates from a permanent position in good standing and within two (2) years is reemployed in a permanent CCCERA position, or is reemployed in a permanent CCCERA position from a layoff list within the period of layoff eligibility, service credits shall include all credits accumulated at time of separation, but shall not include the period of separation. The Administrative/Human Resources Manager shall determine these matters based on the employee status records.

SECTION 32- UNFAIR LABOR PRACTICE

Either CCCERA or the Union may file an unfair labor practice charge with the Public Employees Relation Board.

SECTION 33 - PERMANENT PART-TIME EMPLOYEE BENEFITS

Permanent part-time employees receive prorated vacation and sick leave benefits. They are eligible for health, dental and life insurance benefits at corresponding premium rates providing they work at least fifty (50) percent of full time. If the employee works at least fifty (50) percent of full time, CCCERA retirement participation is also included.

SECTION 34 - NOTARY PUBLIC

SECTION 34 - NOTARY PUBLIC

Employees who are designated by CCCERA to perform duties for CCCERA as a notary public will be allowed time off for testing and will be reimbursed for their application, supplies, bonding, insurance, testing, renewal fees and all other required expenses.

SECTION 35 – STRIKE/WORK STOPPAGE

During the term of this MOU, the Union, its members and representatives, agree that it and they will not engage in, authorize, sanction, or support any strike, slowdown, stoppage of work, sickout, or refusal to perform customary duties.

In the case of a legally declared lawful strike against a private or public sector employer which has been sanctioned and approved by the labor body or council having jurisdiction, an employee who is in danger of physical harm shall not be required to cross the picket line, provided the employee advises his or her supervisor as soon as possible, and provided further that an employee may be required to cross a picket line where the performance of his or her duties is of an emergency nature and/or failure to perform such duties might cause or aggravate a danger to public health or safety.

SECTION 36 - ADOPTION

The provisions of this MOU shall be made applicable on the dates indicated and upon approval by the Board. Resolutions and Ordinances, where necessary, shall be prepared and adopted in order to implement these provisions. It is understood that where it is determined that an Ordinance is required to implement any of the foregoing provisions, said provisions shall become effective upon the first day of the month following thirty (30) days after such Ordinance is adopted.

SECTION 37 - DURATION OF AGREEMENT

This Agreement will continue in full force and effect from July 1, 2013 to and including December 31, 2016. Said Agreement shall automatically renew from year to year thereafter unless either party gives written notice to the other prior to sixty (60) days from the aforesaid termination date of its intention to amend, modify or terminate the agreement.

SECTION 38 - SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

38.1 Scope of Agreement.

Except as otherwise specifically provided herein, this MOU fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties in any and all matters subject to meet and confer. Neither party shall, during the term of this MOU demand any change herein, provided that nothing herein shall prohibit the parties from changing the terms of this MOU by mutual agreement. Any past side letters or any other agreements that are not incorporated into or attached to this MOU are deemed expired upon approval of this MOU by the Board of Retirement.

SECTION 38 - SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

38.2 Separability of Provisions.

Should any section, clause or provision of this MOU be declared illegal, unlawful or unenforceable, by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this MOU.

38.3 Personnel Policies.

Where a specific provision contained in a section of this MOU conflicts with a specific provision contained in a section of the Personnel Policies the provision of this MOU shall prevail. It is recognized, however, that certain provisions of the Personnel Policies may be supplementary to the provisions of this MOU or deal with matters not within the scope of representation and as such remain in full force and effect.

DATE: _____

CCCERA:

AFSCME, Local 2700:
(Signature/Printed Name)

_____, **Retirement CEO**
Gail Strohl

_____/_____
_____/_____
_____/_____
_____/_____
_____/_____
_____/_____



MEMORANDUM

Date: October 7, 2015

To: CCCERA Board of Retirement

From: Christina Dunn, Retirement Admin/HR Manager

Subject: Resolution for Salary and Benefits for Unrepresented Employees

Background

On September 9, 2015 the Board of Retirement adopted resolutions acknowledging compliance with the Public Employees' Medical and Hospital Care Act ("PEMHCA") which begins the process of transitioning benefits from Contra Costa County to CalPERS effective January 1, 2016.

In order to meet these requirements and to align the health, dental and vision benefits of CCCERA unrepresented staff with CCCERA staff represented by AFSCME, Local 2700 the CCCERA Resolution for salary and benefits for unrepresented employees needs to be updated with the following modifications:

- Section 8 – Modified to reflect requirements under the Public Employees' Medical and Hospital Care Act ("PEMHCA").
- Section 16 – Modified to change vision plan from Contra Costa County to EyeMed.
- Attachment B – Modifications to the Medical and Dental providers, the monthly premium subsidy and the inclusion of an Internal Revenue Code Section 125 Flexible Benefits Plan. The maximum monthly premium subsidies are:

CalPERS:

<u>Employee Only</u>	<u>Employee + 1</u>	<u>Family</u>
\$746.47	\$1,492.94	\$1,940.82

Delta Dental:

<u>Employee Only</u>	<u>Employee & Spouse</u>	<u>Employee & Children</u>	<u>Family</u>
\$46.21	\$103.72	\$103.41	\$169.38



MEMORANDUM

Recommendation

Consider and take possible action to adopt Resolution 2015-9 providing for salary and benefits for unrepresented employees of CCCERA effective January 1, 2016.

BOR Reso. No. 2015-9

**RESOLUTION OF THE BOARD OF RETIREMENT
CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**CCCERA RESOLUTION FOR SALARY AND BENEFITS
FOR UNREPRESENTED EMPLOYEES**

EFFECTIVE JANUARY 1, 2016

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WHEREAS, the Contra Costa County Employees' Retirement Association ("CCCERA") is a public agency established by virtue of, and governed by the County Employees' Retirement Law of 1937, Government Code sections 31450, *et seq.*, ("CERL") and Article XVI, section 17 of the California Constitution.

WHEREAS, CCCERA administers a retirement system for the County of Contra Costa and for other participating employers located within the County, including CCCERA, by and through its Board of Retirement ("Board"), and as the Board delegates to its employees who are appointed by CCCERA pursuant to CERL section 31529.9 ("CCCERA Employees.")

WHEREAS, the Board wishes to provide salary and benefits to the unrepresented employees of CCCERA, effective from January 1, 2015 until further notice;

NOW THEREFORE IT IS HEREBY RESOLVED that effective January 1, 2015 and until further notice employees of CCCERA in the job classifications identified on Attachment A hereto shall receive the following salary and benefits:

1. Paid Holidays:

CCCERA observes the following paid holidays during the term covered by this Resolution:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Veterans' Day
Presidents' Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day

Any paid holiday observed by CCCERA that falls on a Saturday is observed on the preceding Friday and any paid holiday that falls on a Sunday is observed on the following Monday.

Eligibility for Paid Holidays: Regular full-time employees are entitled to a paid day off in recognition of the holiday without a reduction in monthly base pay for CCCERA-observed holidays listed above.

If a holiday falls on an employee's regularly scheduled day off due to an alternative work schedule, the employee is entitled to take the day off, without a reduction in pay in recognition of the holiday. The employee is entitled to receive 8 hours of flexible compensation hours or pay at the rate of one times the employees' base rate of pay.

Part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are entitled to the listed paid holidays on a pro rata basis. For example, a part time employee whose position hours are 24 per week is entitled to 4.8 hours off work on a holiday ($24/40 \times 8 = 4.8$).

When a paid holiday falls on a part-time employee's normally scheduled work day and the part-time paid holiday hours are more than the normally scheduled work hours the employee is entitled to receive flexible compensation hours or pay at the rate of one times the employees' base rate of pay for the difference between the employee's normally scheduled work hours and the paid part-time holiday hours.

When a paid holiday falls on a part-time employee's normally scheduled work day and the part-time paid holiday hours are less than the normally scheduled work hours the employee must use non-sick leave accruals for the difference between the employee's normally scheduled work hours and the part-time paid holiday hours. If the employee does not have any non-sick leave accrual balances, leave without pay will be authorized.

Flexible Compensation: Flexible Compensation may not be accumulated in excess of 288 hours. After 288 hours are accrued by an employee, the employee will receive flexible pay at the rate of 1.0 times the employee's base rate of pay. Flexible compensation may be taken on those dates and times determined by mutual agreement of the employee and their supervisor.

2. Personal Holidays:

Regular employees subject to this Resolution are entitled to accrue up to two hours of personal holiday credit each month.

Part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] accrue personal holiday hours on a pro rata basis.

No employee may accrue more than forty hours of personal holiday credit at any time. Once the employee reaches forty hours of personal holiday, the employee will cease accruing such paid time off until he/she uses sufficient such time to reduce his/her bank below the forty-hour maximum, after at which time the employee may begin to accrue additional hours up to the forty-hour maximum.

On separation from CCCERA service, employees shall be paid for any accrued and unused personal holiday hours at the employee's then-current rate of pay.

3. Vacation:

Regular full-time employees subject to this Resolution are entitled to accrue paid vacation as follows:

<u>Length of Service*</u>	<u>Monthly Accrual Hours</u>	<u>Maximum Cumulative Hours</u>
Fewer than 11 years	10	240
11 years	10-2/3	256
12 years	11-1/3	272

<u>Length of Service*</u>	<u>Monthly Accrual Hours</u>	<u>Maximum Cumulative Hours</u>
13 years	12	288
14 years	12-2/3	304
15 through 19 years	13-1/3	320
20 through 24 years	16-2/3	400
25 through 29 years	20	480
30 years and up	23-1/3	560

* Includes County service if employed at CCCERA before January 1, 2015.

Part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are entitled to the listed paid vacation on a pro rata basis.

Employees may accrue paid vacation time up to a maximum of twice their annual vacation accrual. That is, for a full-time employee with 8 years of service, the employee may accrue up to a maximum of 240 hours (120 hours maximum annual accrual x 2 = 240 hours). Once the employee reaches this maximum cumulative hours, she/he will cease accruing paid vacation time until he/she uses sufficient vacation to drop below the maximum cumulative hours after which time the employee may begin to accrue additional hours up to the maximum cumulative hours.

On separation from CCCERA service, employees shall be paid for any accrued and unused vacation hours at the employee's then-current rate of pay.

Vacation Buy Back:

- A. With the exception of the Retirement Chief Executive Officer, employees may elect payment of up to one-third (1/3) of their annual vacation accrual, subject to the following conditions:
 - (1) the choice can be made only once every thirteen (13) months and there must be at least twelve (12) full months between each election;
 - (2) payment is based on an hourly rate determined by dividing the employee's current monthly salary by 173.33; and
 - (3) the maximum number of vacation hours that may be paid in any one sale is one-third (1/3) of the annual accrual.

- B. The Retirement Chief Executive Officer may elect payment of up to one-third (1/3) of their annual vacation accrual, subject to the following conditions:
 - (1) the choice can be made only once in each calendar year;
 - (2) payment is based on an hourly rate determined by dividing the employee's

- current monthly salary by 173.33; and
- (3) the maximum number of vacation hours that may be paid in any one sale is one-third (1/3) of the annual accrual.

NOTE: Where a lump-sum payment is made to employees as a retroactive general salary adjustment for a portion of a calendar year that is subsequent to the exercise by an employee of the vacation buy-back provision herein, that employee's vacation buy-back will be adjusted to reflect the percentage difference in base pay rates upon which the lump-sum payment was computed, provided that the period covered by the lump-sum payment includes the effective date of the vacation buy-back. *For example: In May a salary increase is approved with an effective date of January 1st and the employee completed a vacation buy-back in March, a lump sum payment for the difference in base pay of the vacation buy-back would be calculated.*

4. Sick Leave:

Regular full-time employees subject to this Resolution shall earn paid sick leave benefits at the rate of eight (8) hours per month. Regular part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are entitled to sick leave benefits on a pro rata basis.

Unused sick leave hours accumulate from year to year. When an employee is separated, other than through retirement, accumulated sick leave hours shall be cancelled, unless the separation results from layoff, in which case the accumulated hours shall be restored if reemployed in a regular position within the period of layoff eligibility. At retirement, employees are credited, at the rate of one day for each one day earned, with sick leave accumulated as of the day of retirement and that sick leave credit counts as additional retirement service credit.

For more information on sick leave benefits please refer to the CCCERA Personnel Policies.

5. Sick Leave Incentive Plan:

Employees may be eligible for a payoff of a part of unused sick leave accruals at separation. The sick leave incentive plan is an incentive for employees to safeguard sick leave accruals as protection against wage loss due to time lost for injury or illness. Payoff must be approved by the Retirement Chief Executive Officer, and is subject to the following conditions:

- The employee must have resigned in good standing
- Payout is not available if the employee is eligible to retire
- The balance of sick leave at resignation must be at least 70% of accruals earned in the preceding continuous period of employment excluding any sick leave use covered by the Family and Medical Leave Act (FMLA), the California Family

Rights Act (CFRA) or the California Pregnancy Disability Act (PDL).

- Payout is by the following schedule:

<u>Years of Payment Continuous Service</u>	<u>Payment of Unused Sick Leave Payable</u>
3 – 5 years	30%
5 – 7 years	40%
7 plus years	50%

- No payoff will be made pursuant to this section unless CCCERA certifies that an employee requesting as sick leave payoff has terminated membership in, and has withdrawn their contributions from CCCERA.
- It is the intent of the Board of Retirement that payments made pursuant to this section are in lieu of CCCERA retirement benefits resulting from employment with any of the employers in the CCCERA retirement plan.

6. Management Administrative Leave

Management Administrative Leave is authorized time away from the job for any personal activities and needs which are not charged to sick leave or vacation hours. Unrepresented employees who are exempt from the payment of overtime are eligible for this benefit.

Use of Management Administrative Leave may be requested whenever desired by the employee; however; approval of request shall be subject to the same department process as used for vacation requests.

All unused Management Administrative Leave will be cancelled at 11:59 p.m. on December 31st of each year.

- A. On January 1st of each year, all full-time management employees in paid status, except for the Retirement Chief Executive Officer, will be credited with ninety four (94) hours of paid Management Administrative Leave. The Retirement Chief Executive Officer will be credited with seventy (70) hours of paid Management Administrative Leave. All Management Administrative Leave is non-accruable and all balances will be zeroed out on December 31st of each year.
- B. Regular part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are eligible for Management Administrative Leave on a prorated basis, based upon their position hours.
- C. Employees appointed (hired or promoted) to a management position are eligible for Management Administrative Leave on the first day of the month following their appointment date and will receive Management Administrative Leave on a prorated basis for that first year.

7. **Other Unpaid Leaves:**

CCCERA provides leaves of absence to eligible employees in a variety of circumstances. In all cases, CCCERA intends to comply with applicable federal and state laws. For additional information on unpaid leaves please refer to the CCCERA Personnel Policies.

- Pregnancy disability leave may be requested by any employee at any time.
- Workers' compensation leave is provided to any employee as needed.
- Leave as a reasonable accommodation of an employee's disability is provided to any employee as needed.

Request for Leave: As soon as an employee learns of the need for a leave of absence, the employee should submit a request for leave to the Retirement Administration Manager. Request forms are available from Human Resources. Any leave request must state the purpose of the leave being requested. If approved, the leave must be used for that purpose.

A. Medical/Family Illness/Child Care Leave (FMLA/CFRA LEAVE)

Eligible employees may request an unpaid Family Medical Leave Act ("FMLA") of up to 18 workweeks in a rolling 12-month period (measured backwards from the date the leave begins) for any of the following reasons:

- Birth of the employee's child and to care for the child within the first year of birth;
- The care of an adopted or foster child which the first year of placement with the employee;
- Care for the employee's child, spouse or domestic partner, or parent with a serious health condition;
- Serious health condition of the employee;
- A qualifying exigency arising out of an eligible family member's call to military duty; or
- To care for a covered military service member who is the employee's eligible family member/next-of-kin.

For purposes of this Resolution, an eligible employee is one who has completed one year of continuous employment with CCCERA and worked a minimum of 1,250 hours during the preceding 12 months.

Medical certification is required for leaves necessitated by the serious health condition of the employee or of a family member, but an employee or his/her health care provider need not, and should not, disclose the employee's underlying condition. medical history, results

of tests, or any genetic information. A “serious health condition” means an illness, injury, impairment, or physical or mental condition that involves any of the following:

- Time or treatment in connection with inpatient care;
- Period of incapacity of more than three consecutive days that involves treatment by a health care provider; or
- Any period of incapacity or treatment that is permanent or long term.

Employees will continue to be covered by CCCERA health insurance benefits under pre-leave conditions during the entire approved FMLA leave.

FMLA leave is unpaid, except that employees [*may elect* to use any accrued vacation, sick, personal holiday or management administrative leave time.

Intermittent leave or a reduced work schedule may be approved with medical certification for an employee’s Serious Health Condition, for the employee to care for a child, parent, spouse, or domestic partner (under the CFRA only) with a serious health condition.

Medical certification that the employee is released to return to work is required before the employee will be permitted to return.

If an employee needs to extend his or her leave, he/she must request an extension for FMLA/CFRA leave as soon as practicable after he/she has knowledge of the need for additional leave time. Recertification by a treating health care provider may be required every 30 calendar days in connection with an employee’s absence where appropriate.

B. Pregnancy Disability Leave

Pregnancy Disability Leave (PDL) is a leave due to pregnancy, childbirth, or related reasons preventing the employee from performing her job functions. PDL includes leave needed for prenatal care and prenatal complications.

Employees may take up to a maximum of four months of PDL per pregnancy. Medical certification of the need for the leave is required, and the length of PDL will depend on the medical necessity for the leave. Medical certification that the employee is released to return to work is required before the employee will be permitted to return.

Employees will continue to be covered by CCCERA health insurance benefits under pre-leave conditions during the entire approved PDL.

Leave for pregnancy disability is unpaid, except that employees may elect to use any accrued vacation, sick, personal holiday or management administrative leave time.

C. Military Leave

Federal and state mandated-military leaves of absence are granted without pay to members of the United States Uniformed Services, the California National Guard, or the reserves. To

be eligible, an employee must submit written verification from the appropriate military authority. Such leaves will be granted in accordance with state and federal law.

When an employee goes on Military Leave for more than 30 days, any applicable group insurance (existing provisions will apply) continues for 90 days following the commencement of unpaid Military Leave. Beyond the 90 days, the employee may elect to continue the same group health care coverage, including dependent coverage, if applicable, for up to 24 months at his/her own expense.

An employee may elect to use accrued personal holidays, vacation, and/or management administrative leave at the beginning of unpaid military service or may retain earned and accrued vacation for use upon return from the leave. The employee must provide this request/election in writing to Retirement Administration Manager prior to the start of the military leave.

At the conclusion of military service, an employee will be reinstated upon giving notice of his/her intent to return to work by either (1) reporting to work or (2) submitting a timely oral or written request to CCCERA for reinstatement within 90 days of days after their release from active duty or any extended period required by law. The Military Leave will expire upon the employee's failure to request reinstatement or return to work in a timely manner after conclusion of service.

8. Health, Dental, and Related Benefits

Regular full-time and part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] and their eligible dependents may be entitled to receive medical and dental insurance coverage through CCCERA Plans. Attached hereto as Attachment B, is the monthly premium subsidy for unrepresented employees.

Effective January 1, 2016, CCCERA shall offer an Internal Revenue Code Section 125 Flexible Benefits Plan that offers (i) CalPERS health plan coverages for each eligible employee and the employee's eligible family members and (ii) at least one other nontaxable benefit. CCCERA shall make monthly contributions under the plan for each eligible employee and their dependents (if applicable) up to the relevant amount set forth in Attachment B. Such contributions shall consist of (i) the Minimum Employer Contribution (MEC) established by the Public Employees' Medical and Hospital Care Act, and designated by CCCERA as the MEC, and (ii) the additional amount of such contributions in excess of the MEC.

Any eligible employee who enrolls in health coverage with a higher total premium than CCCERA's contributions with respect to the eligible employee, as stated in Attachment B, will pay the difference via pre-tax payroll deductions under the plan to the extent permitted by Internal Revenue Code Section 125.

Dual Coverage: Each employee, eligible dependent and retiree may be covered by only a single CCCERA health or dental plan.

Please refer any questions about medical/dental benefits to Human Resources.

Health and Dental Coverage Upon Retirement

1. Any CCCERA retiree or their eligible dependent who becomes age 65 on or after January 1, 2009 and who is eligible for Medicare must immediately enroll in Medicare Parts A and B.
2. Employees hired by Contra Costa County or CCCERA on or after January 1, 2009 and their eligible dependents, are eligible for retiree health/dental coverage upon completion of fifteen (15) years of service of which five (5) of those years must be as an active employee of CCCERA with no monthly premium subsidy paid by CCCERA for any health or dental plan after they separate from CCCERA employment. However, any such eligible employee who retires from CCCERA may retain continuous coverage of a CCCERA health and/or dental plan provided that:
 - (i) he or she begins to receive a monthly retirement allowance from CCCERA within 120 days of separation from CCCERA employment and
 - (ii) he or she pays the difference between the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum contribution and the premium cost of the dental plan without any CCCERA premium subsidy.
3. Employees hired by Contra Costa County on January 1, 2007 to December 31, 2008 and their eligible dependents, are eligible for retiree health/dental coverage premium subsidy upon completion of fifteen (15) years of service of which five (5) of those years must be as an active employee of CCCERA. For purposes of retiree health eligibility, one year of service is defined as one thousand (1,000) hours worked within one anniversary year.
4. Employees hired by Contra Costa County on or before December 31, 2006 and their eligible dependents, may remain in their CCCERA health/dental plan, but without CCCERA-paid life insurance coverage, if immediately before their proposed retirement the employees and dependents are either active subscribers to one of the CCCERA contracted health/dental plans or if while on authorized leave of absence without pay, they have retained continuous coverage during the leave period. CCCERA will pay the health/dental plan monthly premium established by the Board of Retirement for eligible retirees and their eligible dependents.
5. All periods of benefit eligible employment will be included in the fifteen (15) years of service calculation for purposes of health and dental coverage upon retirement.
6. Employees, who resign and file for a deferred retirement and their eligible dependents, may continue in their CCCERA group health and/or dental plan under the following conditions and limitations:
 - (i) Health and dental coverage during the deferred retirement period is totally at the expense of the employee, without any CCCERA contributions.
 - (ii) Life insurance coverage is not included.

- (iii) To continue health and dental coverage, the employee must:
 - a. be qualified for a deferred retirement under the 1937 Retirement Act provisions;
 - b. be an active member of a CCCERA group health and/or dental plan at the time of filing their deferred retirement application and elect to continue plan benefits;
 - c. be eligible for a monthly allowance from the Retirement System and direct receipt of a monthly allowance within one hundred twenty (120) days of application for deferred retirement; and
 - d. file an election to defer retirement and to continue health benefits hereunder with the CCCERA within thirty (30) days before separation from CCCERA service.
- (iv) Deferred retirees who elect continued health benefits hereunder and their eligible dependents may maintain continuous membership in their CCCERA health and/or dental plan group during the period of deferred retirement by paying the full premium for health and dental coverage on or before the 10th of each month, to the CCCERA. When the deferred retirees begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to section 7 above, as similarly situated retirees who did not defer retirement.
- (v) Deferred retirees may elect retiree health benefits hereunder without electing to maintain participation in their CCCERA health and/or dental plan during their deferred retirement period. When they begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to section 7 above, as similarly situated retirees who did not defer retirement.
- (vi) Employees who elect deferred retirement will not be eligible in any event for CCCERA health and/or dental plan subvention unless the member draws a monthly retirement allowance within one hundred twenty (120) days after separation from CCCERA employment.
- (vii) Deferred retirees and their eligible family members are required to meet the same eligibility provisions for retiree health/dental coverage as similarly situated retirees who did not defer retirement.

For employees who retire and are eligible to receive a medical premium subsidy that is greater than the PEMHCA minimum contribution, each month during which such retiree medical coverage continues, CCCERA will provide each such retiree with a medical expense reimbursement plan (MERP), also known as a health reimbursement arrangement (HRA), subject to Internal Revenue Code Section 105, with a monthly credit equal to the excess of (i) the relevant medical coverage monthly premium subsidy set forth in Section 17.2 for such eligible retiree and his or her eligible family members over (ii) the then current MEC.

9. **Long-Term Disability Insurance**

CCCERA will provide Long-Term Disability Insurance with a replacement limit of eight-five percent (85%) of total monthly base earnings reduced by any deductible benefits.

10. **State Disability Insurance**

Unrepresented employees do not contribute towards State Disability Insurance.

11. **Life Insurance**

For employees who are enrolled in the County's program of medical or dental coverage as either the primary or the dependent, term life insurance in the amount of ten thousand dollars (\$10,000) will be provided by CCCERA.

Management employees, with the exception of the Chief Executive Officer will also receive fifty-seven thousand dollars (\$57,000) in addition to the life insurance provided above. The Chief Executive Officer will receive an additional sixty thousand dollars (\$60,000) in addition to the ten thousand dollars (\$10,000) insurance provided above.

In addition to the life insurance benefits provided by CCCERA, employees may subscribe voluntarily and at their own expense for supplemental life insurance. Please refer to Human Resources for additional information.

12. **Workers Compensation Insurance**

1. For all accepted workers' compensation claims filed with CCCERA employees will receive seventy five percent (75%) of their regular monthly salary during any period of compensable temporary disability not to exceed one (1) year. If workers' compensation benefits become taxable income, CCCERA will restore the former benefit level, one hundred percent (100%) of regular monthly salary.
2. Waiting Period: There is a three (3) calendar day waiting period before workers' compensation benefits commence. If the injured worker loses any time on the date of injury, that day counts as day one (1) of the waiting period. If the injured worker does not lose time on the date of the injury, the waiting period is the first three (3) days following the date of the injury. The time the employee is scheduled to work during this waiting period will be charged to the employee's sick leave and/or vacation accruals. In order to qualify for workers' compensation the employee must be under the care of a physician. Temporary compensation is payable on the first three (3) days of disability when the injury necessitates hospitalization, or when the disability exceeds fourteen (14) days.
3. Continuing Pay: A regular employee will receive the applicable percentage of regular

monthly salary in lieu of workers' compensation during any period of compensable temporary disability not to exceed one year. "Compensable temporary disability absence" for the purpose of this Section, is any absence due to work-connected disability which qualifies for temporary disability compensation under workers' compensation law set forth in Division 4 of the California Labor Code. When any disability becomes medically permanent and stationary, the salary provided by this Section will terminate. No charge will be made against sick leave or vacation for these salary payments. Sick leave and vacation rights do not accrue for those periods during which continuing pay is received. Employees are entitled to a maximum of one (1) year of continuing pay benefits for any one injury or illness.

Continuing pay begins at the same time that temporary workers' compensation benefits commence and continues until either the member is declared medically permanent/stationary, or until one (1) year of continuing pay, whichever comes first, provided the employee remains in an active employed status. Continuing pay is automatically terminated on the date an employee is separated from CCCERA by resignation, retirement, layoff, or the employee is no longer employed by CCCERA. In these instances, employees will be paid workers' compensation benefits as prescribed by workers' compensation laws. All continuing pay must be cleared through CCCERA.

4. Physician Visits: Whenever an employee who has been injured on the job and has returned to work is required by an attending physician to leave work for treatment during working hours, the employee is allowed time off, up to three (3) hours for such treatment, without loss of pay or benefits. Said visits are to be scheduled contiguous to either the beginning or end of the scheduled workday whenever possible. This provision applies only to injuries/illnesses that have been accepted by CCCERA as work related.
5. Labor Code §4850 Exclusion: The foregoing provisions for workers' compensation and continuing pay are inapplicable in the case of employees entitled to benefits under Labor Code Section 4850.

13. Health Care Spending Account

After six (6) months of regular employment, full time and part time (20/40 or greater) employees may elect to participate in a Health Care Spending Account (HCSA) Program designated to qualify for tax savings under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a predetermined amount of money from their pay, before taxes, for health care expenses not reimbursed by any other health benefit plans. HCSA dollars may be expended on any eligible medical expenses allowed by Internal Revenue Code Section 125. According to IRS regulations, any unused balance is forfeited and may not be recovered by the employee. Please refer to Human Resources for more information on the HCSA Program.

14. Dependent Care Assistance Program

Full time and part time (20/40 or greater) employees may elect to participate in a Dependent Care Assistance Program (DCAP) designed to qualify for tax savings under Section 129 of the Internal Revenue Code, but such savings are not guaranteed. The program allows employees to set aside up to five thousand (\$5,000) of annual salary (before taxes) per calendar year to pay for eligible dependent care (child and elder care) expenses. According to IRS regulations, any unused balance is forfeited and may not be recovered by the employee. Please refer to Human Resources for more information on DCAP.

15. Premium Conversion Plan

CCCERA offers the Premium Conversion Plan (PCP) designed to qualify for tax savings under Section 125 of the Internal Revenue Code, but tax savings are not guaranteed. The program allows employees to use pre-tax salary to pay health and dental premiums. Please refer to Human Resources for more information on the PCP.

16. Computer Vision Care (CVC)

CCCERA will pay 100% of the employee only premium for EyeMed Option 2 vision coverage and up to two hours of CCCERA paid time for exam and to obtain glasses. Employees may obtain spouse and dependent coverage at their own cost.

17. Retirement:

CCCERA Membership:

Contributions: Employees are responsible for the payment of one hundred percent of the employees' basic retirement benefit contributions determined annually by the Board. Employees are also responsible for the payment of the employee's contributions to the retirement cost-of-living program as determined annually by the Board. CCCERA is responsible for payment of one hundred percent of the employer's retirement contributions as determined annually by the Board.

- A. Employees who are not classified as new members under PEPRA will be enrolled in Retirement Tier 1 enhanced. For more information on retirement tiers please refer to the CCCERA member handbooks.
- B. Employees who are classified as new members under PEPRA will be enrolled in Retirement IV (3% COLA). For more information on retirement tiers please refer to the CCCERA member handbooks.
- C. CCCERA will implement Section 414(h) (2) of the Internal Revenue Code which allows CCCERA to reduce the gross monthly pay of employees by an amount equal to the employee's total contribution to the CCCERA Retirement Plan before Federal and State income taxes are withheld, and forward that amount to the CCCERA Retirement Plan. This program of deferred retirement contribution will be universal and non-voluntary as required by statute.

Deferred Compensation:

A. CCCERA will contribute eighty-five dollars (\$85) per month to each employee who participates in CCCERA’s Deferred Compensation Plan. To be eligible for this Deferred Compensation Incentive, the employee must contribute to the deferred compensation plan as indicated below:

Employees with Current Monthly Salary of:	Qualifying Base Contribution Amount	Monthly Contribution Required to Maintain Incentive Program Eligibility
\$2,500 and below	\$250	\$50
\$2,501 – 3,334	\$500	\$50
\$3,335 – 4,167	\$750	\$50
\$4,168 – 5,000	\$1,000	\$50
\$5,001 – 5,834	\$1,500	\$100
\$5,835 – 6,667	\$2,000	\$100
\$6,668 and above	\$2,500	\$100

Employees who discontinue contributions or who contribute less than the required amount per month for a period of one (1) month or more will no longer be eligible for the eighty-five dollars (\$85) Deferred Compensation Incentive. To reestablish eligibility, employees must again make a Base Contribution Amounts as set forth above based on current monthly salary. Employees with a break in deferred compensation contributions either because of an approved medical leave or an approved financial hardship withdrawal will not be required to reestablish eligibility. Further, employees who lose eligibility due to displacement by layoff, but maintain contributions at the required level and are later employed in an eligible position, will not be required to reestablish eligibility.

B. Regular employees hired on and after January 1, 2009 will receive one hundred and fifty dollars (\$150) per month to an employee’s account in the Contra Costa County Deferred Compensation Plan or other tax-qualified savings program designated by CCCERA, for employees who meet all of the following conditions:

1. The employee must be hired by CCCERA on or after January 1, 2009.
2. The employee is not eligible for a monthly premium subsidy for health and/or dental upon retirement as set forth in Section 8.
3. The employee must be appointed to a regular position. The position may be either full time or part time (designated at a minimum of 20 hours per week).
4. The employee must have been employed by CCCERA or Contra Costa County for at least 90 calendar days.
5. The employee must contribute a minimum of twenty-five dollars (\$25) per month to the Contra Costa County Deferred Compensation Plan, or other tax-qualified savings

program designated by CCCERA.

6. The employee must complete and sign the required enrollment form(s) for his/her deferred compensation account and submit those forms to the Benefits Services Unit of Contra Costa County.
7. The employee may not exceed the annual maximum contribution amount allowable by the United States Internal Revenue Code.
8. Employees are eligible to apply for loans from the Contra Costa County Deferred Compensation Plan loan program. For more information on the loan program refer to Human Resources.

18. General Training

CCCERA periodically provides training to employees on its harassment prevention and equal opportunity/discrimination policies. The purpose of these training sessions is to inform and remind employees of CCCERA's policies on these matters. These training sessions are mandatory.

Employees also receive safety training as part of CCCERA's Injury and Illness Prevention program.

19. Other Job-Related Training

Employees may request to attend training sessions on topics that are directly related to the employee's current job and that are likely to improve the employee's job knowledge and skills. Requests to attend training must be submitted to the employee's department manager. It is within the sole discretion of CCCERA whether or not to grant a training request.

20. Professional Development Reimbursement

To encourage personal and professional growth which is beneficial to both CCCERA and the employee, CCCERA reimburses for certain expenses incurred by employees which are related to an employee's current work assignment.

Expenses that may be eligible for reimbursement include certification programs and courses offered through accredited colleges, universities and technical schools.

Guidelines: Prior to registering for a course, the employee must provide appropriate information to Human Resources to begin the approval process.

If granted, reimbursement may be used to defray actual costs of tuition, registration, testing materials, testing fees and books only and is limited to \$2,000 per year.

Course attendance, study, class assignments and exams must be accomplished outside of the employee's regular working hours.

Reimbursement: Reimbursement will only be provided for course work in which the employee achieves a grade of C or better. Reimbursement will be provided only to

employees who are employed by CCCERA at the time CCCERA receives evidence of satisfactory completion of the course or certification exam.

If the employee does not successfully complete the course or certification exam, no reimbursement will be provided.

Exceptions: For classifications which require a certification or technical license, CCCERA will reimburse the entire cost of certification fees and membership dues without reducing the maximum annual Professional Development Reimbursement amount.

21. Salary

Attached hereto as Attachment A, is the salary schedule for all classifications of unrepresented employees.

22. Overtime

Management employees are not entitled to receive overtime pay, holiday pay, holiday compensatory, or overtime compensatory time.

23. Differential Pay

A. Longevity

Ten Years of Service:

Employees who have completed ten (10) years of service for Contra Costa County and/or CCCERA are eligible to receive a two and one-half percent (2.5%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the ten (10) year service award.

Fifteen Years of Service:

Employees who have completed fifteen (15) years of service for Contra Costa County and/or CCCERA are eligible to receive an additional two and one-half percent (2.5%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the fifteen (15) year service award.

Twenty Years of Service:

Employees in the Retirement General Counsel classification who have completed twenty (20) years of service for Contra Costa County and/or CCCERA will receive an additional two percent (2%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the twenty (20) year service award.

B. Certificate Differentials

NOTE: No employee may receive more than one certificate differential at one time, regardless of the number of certificates held by that employee.

➤ Accounting Certificate Differential

Incumbents of unrepresented professional accounting, auditing or fiscal officer positions who possess one of the following active certifications will receive a differential of five percent (5%) of base monthly salary:

- (1) a Certified Public Accountant (CPA) license issued by the State of California, Department of Consumer Affairs, Board of Accountancy;
- (2) a Certified Internal Auditor (CIA) certification issued by the Institute of Internal Auditors;
- (3) a Certified Management Accountant (CMA) certification issued by the Institute of Management Accountants; or
- (4) a Certified Government Financial Manager (CGFM) certification issued by the Association of Government Accountants.

➤ Chartered Financial Analyst (CFA)

Employees who possess an active CFA certification will receive a differential of five percent (5%) of base monthly salary. Verification of eligibility for any such differential must be provided to Human Resources.

➤ Associate of the Society of Actuaries (ASA)

Employees who possess an active ASA certification will receive a differential of five percent (5%) of base monthly salary. Verification of eligibility for any such differential must be provided to Human Resources.

Resolution of the Board of Retirement
 Contra Costa County Employees' Retirement Association

CCCERA Resolution for Salary and Benefits for Unrepresented Employees
 (BOR Reso. No. 2015-9)

Attachment A

Effective September 1, 2015

Class Title	Monthly Salary Range					
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Retirement Accountant	\$5,614.77	\$5,895.52	\$6,190.29	\$6,499.80	\$6,824.75	
Retirement Information Technology Coordinator I	\$5,648.23	\$5,930.64	\$6,227.17	\$6,538.53	\$6,865.46	
Retirement Information System Programmer/Analyst	\$6,119.88	\$6,425.87	\$6,747.17	\$7,084.53	\$7,438.75	\$7,810.69
Retirement Supervising Accountant	\$6,304.40	\$6,619.61	\$6,950.59	\$7,298.12	\$7,663.03	
Retirement Administrative/HR Coordinator	\$6,189.29	\$6,498.75	\$6,823.68	\$7,164.87	\$7,523.11	\$7,899.26
Retirement Benefits Program Coordinator	\$6,496.97	\$6,821.81	\$7,162.90	\$7,521.05	\$7,897.10	
Retirement Information Technology Coordinator II	\$6,496.97	\$6,821.81	\$7,162.90	\$7,521.05	\$7,897.10	
Retirement Communications Coordinator	\$6,686.22	\$7,020.54	\$7,371.56	\$7,740.14	\$8,127.14	
Retirement Admin/HR Manager	\$6,949.47	\$7,296.94	\$7,661.79	\$8,044.88	\$8,447.12	
Retirement Information Technology Manager	\$7,772.18	\$8,160.79	\$8,568.82	\$8,997.27	\$9,447.13	\$9,919.48
Retirement Investment Analyst	\$8,078.17	\$8,482.07	\$8,906.19	\$9,351.49	\$9,819.07	
Retirement Accounting Manager	\$8,504.99	\$8,930.23	\$9,376.74	\$9,845.58	\$10,337.87	
Retirement Benefits Manager	\$8,504.99	\$8,930.23	\$9,376.74	\$9,845.58	\$10,337.87	
Retirement Compliance Officer	\$8,504.99	\$8,930.23	\$9,376.74	\$9,845.58	\$10,337.87	\$10,854.75
Deputy Retirement Chief Executive Officer	\$10,134.10	\$10,640.80	\$11,172.84	\$11,731.49	\$12,318.07	\$12,933.97
Retirement General Counsel	\$11,301.04	\$11,866.09	\$12,459.40	\$13,082.36	\$13,736.48	
Retirement Chief Investment Officer	\$12,954.71	\$13,602.44	\$14,282.57	\$14,996.70	\$15,746.53	
Retirement Chief Executive Officer	\$15,925.00					

Attachment B

Health and Dental Coverage Monthly Premium Subsidy

Effective: January 1, 2016

Health Plans:

➤ CalPERS

Employee Only: \$746.47
Employee + 1: \$1,492.94
Employee + Family: \$1,940.82

➤ Delta Dental

Employee Only: \$46.21
Employee and Spouse: \$103.72
Employee and Children: \$103.41
Family: \$169.38

Effective January 1, 2016, CCCERA shall offer an Internal Revenue Code Section 125 Flexible Benefits Plan that offers (i) CalPERS health plan coverages for each eligible employee and the employee's eligible family members and (ii) at least one other nontaxable benefit. CCCERA shall make monthly contributions under the plan for each eligible employee and their dependents (if applicable) up to the relevant amount set forth above. Such contributions shall consist of (i) the Minimum Employer Contribution (MEC) established by the Public Employees' Medical and Hospital Care Act, and designated by CCCERA as the MEC, and (ii) the additional amount of such contributions in excess of the MEC.

CCCERA Board Meetings 2015

Eff. 10.7.15

January						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	B	15	16	17
18	19	20	SB	22	23	24
25	26	27	B	29	30	31

H - New Year's Day
H - Martin Luther King Jr. Day

February						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	B	12	13	14
15	16	17	SB	19	20	21
22	23	24	Q	26	27	28

H - Presidents' Day

March						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	C
C	C	C	B	12	13	14
15	16	17	18	SB	20	21
22	23	24	B	26	27	28
29	CII	CII				

April						
Su	Mo	Tu	We	Th	Fr	Sa
			CII	2	3	4
5	6	7	B	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	W	W	W	W		

May						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
N	N	N	N ^B	N	8	9
10	S	S	S	S	S	16
17	18	19	20	21	22	23
24	25	26	27	Q	29	30
31						

H - Memorial Day

June						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	B	11	12	13
14	15	16	17	18	19	20
21	22	23	24	B	26	27
28	29	30				

July						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	B	9	10	11
12	13	14	15	16	17	18
PPI	PPI	PPI	PPI	SB	24	25
26	27	28	29	30	31	

H - Independence Day

August						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	B	13	14	15
16	17	18	19	20	21	22
23	24	P	P	Q	P	29
30	31					

September						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	B	10	11	12
13	14	15	16	17	18	19
20	21	22	B	24	25	26
27	28	SB	SB			

H - Labor Day

October						
Su	Mo	Tu	We	Th	Fr	Sa
				CII	CII	3
4	5	6	B	8	9	10
11	12	13	14	15	16	17
18	19	20	21	SB	23	24
25	26	27	28	29	30	31

November						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	SB	5	6	7
I	I	I	I	12	13	14
15	16	S	S	S	S	21
22	23	Q	25	26	27	28
29	30					

H - Veterans Day
H - Thanksgiving

December						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	B	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

H - Christmas Day

B	Board Meeting	CII	CII	P	Pepperdine University: Principles of Pension Management
Q	Quarterly Meeting	C	CALAPRS	PPI	SACRS: Public Pension Investment Management
SB	Special Board Meeting	N	NCPERS	W	Wharton: Portfolio Concepts
S	SACRS	I	IFEBP		



MEMORANDUM

Date: October 7, 2015

To: Board of Retirement

From: Karen Levy, General Counsel

Subject: Consider and Take Possible Action to Adopt
Procurement of Products and Services Policy

I. Background

At the request of CCCERA's Chief Executive Officer, we have prepared a Procurement of Products and Services Policy for the Board's consideration. As a pension fund with assets exceeding \$7 billion and an independent entity transitioning from County services, it has become necessary for CCCERA to be able to procure services expeditiously in order to meet the day to day operational needs of the system. This Policy is intended to establish guidelines by which CCCERA will acquire products and services and to delegate to the CEO the authority to enter into contracts for products or services costing \$50,000 or less.

II. Applicable Law

The CCCERA Board has plenary authority and fiduciary responsibility for the administration of the CCCERA system. (California Constitution, Article XVI, Sec. 17.) The County Employees Retirement Law of 1937 ("CERL") vests with the Board the authority to delegate administrative responsibility to CCCERA personnel to carry out the necessary work of the board. (Government Code Section 31522.9.) The Board of Retirement is the governing body of CCCERA, an independent district and the direct employer of all its staff, effective January 1, 2015. (Senate Bill 673, Statutes 2014, Chapter 244; Government Code Section 31522.9 and 31468.)

III. Policy Governing the Procurement of Products and Services

The enclosed Procurement of Products and Services Policy sets forth the guidelines for CCCERA's procurement of products and services, as follows:

- Services providers are divided into "core" and "non-core" service providers.
 - The selection of "core" providers (including services with a cost that exceeds \$50,000) must begin with a search initiated by the Board acting on its own or on the recommendation of the CEO.

- Requests for Proposal must be used for projects material in scope or financial costs.
- The selection is made by Board vote after considering an analysis and recommendation of the CEO.
- The selection of “non-core” providers may be made by the CEO provided that the cost does not exceed CCCERA’s budget. The CEO must notify the Board of the engagement.
- Contracts for the procurement of products are divided into those requiring an expenditure of \$50,000 or less and those required an expenditure exceeding \$50,000.
 - The CEO has the authority to enter into contracts requiring an expenditure of \$50,000 or less without Board authorization.
 - Contracts requiring an expenditure in excess of \$50,000 require Board approval.

IV. Recommendation

Consider and take possible action to adopt the enclosed Procurement of Products and Services Policy.

**CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
PROCUREMENT OF PRODUCTS AND SERVICES POLICY**

Adopted: __/__/2015

I. PURPOSE

This policy is intended to establish guidelines by which the Contra Costa County Employees' Association (CCCERA) will acquire products and services.

II. OBJECTIVES

- A. The objectives of the Procurement of Products and Services Policy are to ensure that:
1. The acquisition of products and services is made in the best interests of CCCERA, its members and beneficiaries.
 2. The process of selecting providers is diligent, fair and open.
 3. Quality products and services are obtained at reasonable cost.

III. APPLICABLE LAW

The CCCERA Board has plenary authority and fiduciary responsibility for the administration of the CCCERA system. (California Constitution, Article XVI, Sec. 17.) In addition, the Board is the governing body of CCCERA, an independent district and the direct employer of all its staff, effective January 1, 2015. (Senate Bill 673, Statutes 2014, Chapter 244; Government Code Section 31522.9 and 31468.) The Board has the authority to delegate administrative responsibility to CCCERA personnel to carry out the necessary work of the board. (Government Code Section 31522.9.)

IV. POLICY

- A. The general role of the Retirement Chief Executive Officer in the selection of service providers requiring Board approval is to provide sound research and analysis concerning potential service providers, to develop clear and appropriate screening criteria, and to recommend candidates for appointment by the Board.
- B. In accordance with its fiduciary duty, the general role of the Board in the selection process is to determine that the recommendations and accompanying analysis provided by the Retirement Chief Executive Officer have been prepared with the requisite level of skill, diligence and care, and reflect the mission and goals of CCCERA; and to exercise its best judgment as to the service providers that will assist the Board in carrying out its fiduciary responsibilities.

C. Service providers shall be divided into two broad categories: Core service providers and non-core service providers. Core service providers include, but are not limited to:

1. The actuary;
2. The auditor;
3. The custodian;
4. General and specialty investment consultants;
5. Investment managers and vehicles;
6. Fiduciary counsel;
7. Labor and Employment legal counsel;
8. Chief labor negotiator; and
9. Other service providers, where the cost of providing the service sought is expected to exceed \$50,000 in total.

D. Non-core service providers include, but are not limited to:

1. Ad hoc consultants;
2. Building maintenance;
3. Insurance brokers; and
4. Architectural services.

E. Selection Guidelines

1. All service providers shall be selected in the best interests of CCCERA, its members and beneficiaries.
2. The selection of all service providers shall be subject to a level of due diligence that is appropriate to the materiality of the service in question.
3. Contracts or similar arrangements clearly defining the terms and scope of engagement and CCCERA's expectations shall be established for all service providers engaged by CCCERA.
4. All service providers engaged by CCCERA shall be subject to periodic review in accordance with CCCERA's Professional Consultant Evaluation Policy. The frequency and depth of such reviews shall be commensurate with the materiality of the services provided.
5. The Retirement Chief Executive Officer shall present annually to the Board a multi-year time-line depicting all scheduled performance of CCCERA service providers, and will report to the Board annually on progress achieved.

F. Core Service Providers

1. The search for a core service provider shall generally be initiated by an action of the Board, acting on its own initiative or on the recommendation of the Retirement Chief Executive Officer.
2. The Retirement Chief Executive Officer, with the assistance of staff, consultants and advisors as appropriate, shall develop appropriate selection

criteria to ensure that all candidates are accorded a fair and thorough review. Such criteria may include, but are not limited to:

- a. Provider experience and track record;
 - b. Quality of individuals assigned to work with and provide service to CCCERA;
 - c. Ability to communicate successfully with the Board and staff;
 - d. Client references;
 - e. Costs;
 - f. Sound business and ethical practices;
 - g. Liability coverage; and
 - h. CCCERA satisfaction with past service, in the case of incumbent providers.
3. The Retirement Chief Executive Officer shall provide the Board with periodic reports on the status of all search processes.
 4. Except as stated in Par. 9 below, based on the selection criteria, the Retirement Chief Executive Officer shall select a short list of potential candidates. The Retirement Chief Executive Officer shall interview the short-listed candidates and may conduct due diligence visits in order to identify the most suitable candidate(s). The Retirement Chief Executive Officer will inform the Board of the interview schedule and invite Board members to participate as appropriate.
 5. The Retirement Chief Executive Officer shall prepare a report and recommendation for the Board which will include:
 - a. The criteria used to select potential candidates;
 - b. A list of candidates that were considered; and
 - c. A recommendation as to the candidate(s) who would best fulfill the needs identified by CCCERA, and the rationale behind the recommendation.
 6. The Board shall consider the analysis and recommendation of the Retirement Chief Executive Officer. In reviewing the recommendation, the Board shall determine that the recommendations and accompanying analysis provided by the Retirement Chief Executive Officer have been prepared with the requisite level of skill, diligence and care, and reflect the mission and goals of the CCCERA. In the event the Board is not satisfied with the analysis or the search process undertaken, the Board may direct the Retirement Chief Executive Officer to address any areas of concern regarding the analysis or the search process. Once such additional efforts are complete, the Retirement Chief Executive Officer shall resubmit a recommendation.
 7. The Board may, at its option, interview the Retirement Chief Executive Officer's recommended candidate(s) and any other candidates that were considered.
 8. Following the actions described in Pars. 6 and 7, above, the Board shall proceed to vote on the selection of service providers. The Board shall exercise

its best judgment as to the service providers that will assist the Board in carrying out its fiduciary responsibilities.

9. With regard to the selection of the Board's Fiduciary Counsel, the selection and recommendation process detailed in Pars. 2-7 above shall be conducted jointly by one or more Board members appointed by majority vote of the full Board for that purpose and the Retirement Chief Executive Officer.

G. Guidelines for the Use of Requests for Proposal

1. Requests for proposal (RFP) shall generally be used in searching for service providers where the project is material in scope or financial costs.
2. All CCCERA RFPs shall clearly state that contracts will not necessarily be awarded to the lowest bidder.
3. When an RFP is issued, CCCERA shall ensure that all candidates are provided with identical information and requirements. Candidates shall have the opportunity to request additional information during the process and such additional information shall be made available publicly on CCCERA's website in advance of to the deadline for responding to the RFP.

H. Quiet Periods

1. The Board and/or the Retirement Chief Executive Officer shall declare a "quiet" (black-out) period when initiating a Core Service Provider search process.
2. During quiet periods, Board members shall not communicate with service providers known to the Board or staff as likely candidates in the search on matters pertaining to CCCERA, except during open and public Board meetings. Furthermore, during quiet periods, individual Board members or groups of Board members will not meet with such service providers for entertainment or social purposes. Exceptions may be made in the case of industry conferences such as SACRS, where CCCERA Board members may socialize with specified service providers during open social events that are also attended by Trustees or staff of other systems, provided CCCERA Board members do not discuss matters pertaining to CCCERA business.
3. For the purpose of quiet periods, prohibited communications include those conducted through telephone conversations, letters, e-mails, and social media.
4. Quiet periods will cease when the subject contract becomes effective or the search process is otherwise concluded or suspended by the Board.
5. CCCERA service providers shall be provided with a copy of these quiet period provisions.
6. All RFPs shall include reference to these quiet period provisions; require that prospective service providers comply with its provisions during the selection process; and advise prospective service providers that violation of these quiet period provisions shall require their disqualification from consideration.

I. Non-Core Service Providers

The Retirement Chief Executive Officer may engage non-core service providers for up to a total contract value of \$50,000 without the prior approval of the Board, provided that the cost of the service does not exceed CCCERA's annual budget. The Retirement Chief Executive Officer shall notify the Board of the engagement at the next following regular meeting of the Board.

J. Contracts for the Procurement of Products

Contracts for the procurement of products shall be divided into two basis categories: Contracts requiring an expenditure of \$50,000 or less and those requiring an expenditure of more than \$50,000. The Retirement Chief Executive Officer has the authority to enter into contracts requiring an expenditure of \$50,000 or less without Board authorization. Contracts requiring an expenditure in excess of \$50,000 require Board approval.

K. Publication

These Guidelines and Policy shall be made a part of the Board's official policies and shall be prominently posted to the CCCERA internet website.

L. Review

These Guidelines and Policy shall be subject to Board review not less than every three years following their initial adoption by the Board.