

Office of Audit Services



CalPERS

Public Agency Review

Central County Fire Department

**CalPERS ID: 2986532158
Job Number: P14-087**

October 2016



California Public Employees' Retirement System
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October 27, 2016

CalPERS ID: 2986532158
Job Number: P14-087

Jan Cooke, Finance Director, C.P.A.
Central County Fire Department
1399 Rollins Road
Burlingame, CA 94010

Dear Ms. Cooke:

Enclosed is our final report on the results of the public agency review completed for the Central County Fire Department (Agency). Your written response, included as an appendix to the report, indicates agreement with the issues noted in the report. In accordance with our resolution policy, we have referred the issues identified in the report to the appropriate divisions at CalPERS. Please work with these divisions to address the recommendations specified in our report. It was our pleasure to work with your Agency. We appreciate the time and assistance of you and your staff during this review.

Sincerely,

Original signed by Beliz Chappuie

BELIZ CHAPPUIE, Chief
Office of Audit Services

Enclosure

cc: Board of Directors, Central County Fire Department
John Kammeyer, Fire Chief, Central County Fire Department
Lisa Goldman, Chief Administrative Officer, Central County Fire Department & City
Manager, City of Burlingame
Katherine Leroux, City Manager, Town of Hillsborough
Risk and Audit Committee Members, CalPERS
Matthew G. Jacobs, General Counsel, CalPERS
Anthony Suine, Chief, BNSD, CalPERS
Renee Ostrander, Chief, EAMD, CalPERS
Carene Carolan, Chief, MAMD, CalPERS

CENTRAL COUNTY FIRE DEPARTMENT

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RESULTS IN BRIEF

The objective of our review was to determine whether the Central County Fire Department (Agency) complied with applicable sections of the California Government Code (Government Code), California Public Employees' Pension Reform Act of 2013 (PEPRA), California Code of Regulations (CCR) and its contract with the California Public Employees' Retirement System (CalPERS).

The Office of Audit Services (OAS) noted the following findings during the review. Details are noted in the Results section beginning on page two of this report.

- Pay schedule did not meet all of the Government Code and CCR requirements.
- Special compensation was not reported in accordance with the Government Code and CCR.
- Payroll information was incorrectly reported.
- Employees were not enrolled into membership in accordance with the Government Code.
- Unused sick leave was incorrectly reported.
- Member reciprocal self-certification information was not maintained.
- Observation: Agency reported non-reportable compensation.

OAS recommends the Agency comply with applicable sections of the Government Code, PEPRA, CCR and its contract with CalPERS. We also recommend the Agency work with the appropriate CalPERS divisions to resolve issues identified in this report.

SCOPE

The Agency contracted with CalPERS effective June 21, 2010 to provide retirement benefits for local miscellaneous and fire safety employees. By way of the Agency's contract with CalPERS, the Agency agreed to be bound by the terms of the contract and the Public Employees' Retirement Law (PERL). The Agency also agreed to make its employees members of CalPERS subject to all provisions of the PERL.

As part of the CalPERS Board of Administration (Board) approved plan, OAS reviewed the Agency's payroll reporting and member enrollment processes related to the Agency's retirement contract with CalPERS. The review was limited to the examination of sampled employees, records, and pay periods from July 1, 2011 through June 30, 2014. The review objectives and methodology are listed in Appendix A.

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OFFICE OF AUDIT SERVICES REVIEW RESULTS

1: The Agency did not have a pay schedule that met all of the Government Code and CCR requirements.

Condition:

The Agency did not have a pay schedule that met all of the Government Code and CCR requirements. Specifically, the Agency's pay schedule, effective January 1, 2014, was not approved by the Agency's governing body.

Only compensation earnable as defined under Government Code Section 20636 and corresponding regulations can be reported to CalPERS and considered in calculating retirement benefits. For purposes of determining the amount of compensation earnable, a member's payrate is limited to the amount identified on a publicly available pay schedule. Per CCR Section 570.5, a pay schedule, among other things, must:

- Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- Identify the position title for every employee position;
- Show the payrate as a single amount or multiple amounts within a range for each identified position;
- Indicate the time base such as hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- Be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- Indicate an effective date and date of any revisions;
- Be retained by the employer and available for public inspection for not less than five years; and
- Not reference another document in lieu of disclosing the payrate.

Pay amounts reported for positions that do not comply with the payrate definition and pay schedule requirements cannot be used to calculate retirement benefits because the amounts do not meet the definition of payrate under Government Code Section 20636(b)(1). There are no exceptions included in Government Code Section 20636(b)(1). When an employer does not meet the requirements for a publicly available salary schedule, CalPERS, in its sole discretion, may determine an amount that will be considered to be payrate as detailed in CCR Section 570.5.

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Recommendation:

The Agency should ensure it has a pay schedule that meets all of the Government Code and CCR requirements.

The Agency should work with CalPERS Employer Account Management Division (EAMD) to identify and make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160.

Criteria:

Government Codes: § 20160, § 20636

CCR: § 570.5

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2: The Agency did not report special compensation in accordance with the Government Code and CCR.

Condition:

- A. The Agency incorrectly reported special compensation for a Battalion Chief in the pay period ended June 1, 2014. The employee was promoted from Fire Captain to Battalion Chief on July 1, 2013, which resulted in a change in the employee's scheduled work hours from 56 hours to 40 hours per week. As a result, the Agency ceased paying Fair Labor Standard Act Pay and Holiday Pay to the employee and instead reported Shift Differential Pay of \$470.06. However, Shift Differential Pay did not meet the definition listed in the Government Code Section 20636 and CCR Section 571 which defines Shift Differential Pay as compensation to employees who are routinely and consistently scheduled to work other than a standard daytime shift. In addition, the pay was not listed or defined in a written labor policy. Therefore, the Shift Differential Pay was not reportable as special compensation.
- B. The Agency incorrectly reported compensation paid for Advance Life Support (ALS) as special compensation for a Firefighter/Paramedic. Specifically, in pay period ended June 1, 2014, the Agency reported \$339.33 as Paramedic Pay, an item of special compensation. However, only \$113.31 of this amount was determined to be Paramedic Pay. The additional \$226.62 was a payment for ALS which is identified in the Agency's written labor policy as pay received by employees equal to six percent of base pay when assigned to ALS. This pay does not meet the definition of special compensation pursuant to the Government Code Section 20636 and CCR Section 571, which defines Paramedic Pay as compensation to paramedics who obtain and maintain certification in auxiliary medical techniques. Therefore, a portion of the Paramedic Pay is not reportable as special compensation.
- C. The Agency incorrectly reported Educational Incentive Pay as special compensation for four fire safety employees in the pay period ended June 1, 2014. Although Educational Incentive Pay is listed and defined in CCR Section 571, it did not qualify as special compensation because the Agency combined additional requirements (longevity and EMT certification) with Educational Incentive Pay in its written labor agreement. As a result, Educational Incentive Pay did not meet the definition of special compensation pursuant to Government Code Section 20636 and CCR Section 571 and was not reportable.
- D. The Agency incorrectly reported Uniform Allowance as a lump sum amount for fire safety employees enrolled as classic members. Specifically, the

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Agency paid an annual Uniform Allowance in the pay period ended June 29, 2014. However, the Agency reported the Uniform Allowance when paid instead of as earned. Pursuant to Government Code Section 20636(c)(3), the Agency must identify the pay period(s) in which special compensation was earned.

- E. The Agency's written labor agreements for fire safety employees did not include all the conditions for payment of Holiday Pay. Specifically the agreements did not identify whether the calculation of Holiday Pay would be based on an employee's base payrate or base payrate plus special compensations, such as Paramedic Pay. CCR Section 571(b) requires the written labor policy or agreement contain the conditions for payment of, including, but not limited to, the eligibility for, and amount of, the special compensation.

Reportable special compensation is defined in CCR Section 571(a) and must be reported if it conforms with all of the requirements listed in CCR Section 571(b). Specifically, special compensation is required to be contained in a written labor policy or agreement indicating the eligibility and amount of special compensation. Also, special compensation must be available to all members in the group or class, part of normally required duties, performed during normal hours of employment, paid periodically as earned, and historically consistent with prior payments for the job classification.

Recommendation:

The Agency should only report items of special compensation that comply with the Government Code and CCR requirements.

The Agency should report Uniform Allowance in the period(s) earned.

The Agency should ensure that the written labor policy or agreement contains the conditions for payment of Holiday Pay as required by the Government Code and CCR.

The Agency should work with EAMD to identify and make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160.

Criteria:

Government Codes: § 20160, § 20630, § 20636
CCR: § 571

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3: The Agency incorrectly reported payroll information.

Condition:

- A. The Agency incorrectly reported the payrate for a part-time Service Clerk II. Specifically, the Agency reported a monthly payrate of \$3,705.00 for the pay period ended June 1, 2014; however, the employee's full-time monthly payrate was \$4,940.00. The Agency reported the payrate based on the employee's earnings, which was 75 percent of the payrate, instead of reporting the full-time payrate for the position. Government Code Section 20636(b)(1) defines payrate as the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours.
- B. The Agency incorrectly reported the scheduled hours per week for the part-time Service Clerk II mentioned in Finding 3A. Specifically, the employee worked three quarters time of a full-time position. The regular work schedule for the full-time position is 40 hours per week. However, the Agency incorrectly reported 34 scheduled hours per week. Reporting an incorrect number of scheduled full-time work hours may cause the following:
- Delays in member retirement processing
 - Inaccurate retirement estimates
 - Impact accuracy of employer's contribution
 - Incorrect payments of benefits
 - Hardship to retired members from a reduction in benefits

Payrate and the number of scheduled hours per week are important factors when computing a member's retirement allowance.

Recommendation:

The Agency should ensure payrates are correctly reported to CalPERS.

The Agency should ensure the normally scheduled hours per week are correctly reported to CalPERS.

The Agency should work with EAMD to identify and make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160.

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Criteria:

Government Codes: § 20120, § 20121, § 20160, § 20630, § 20636
CCR: § 570.5

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4: The Agency did not enroll employees into membership in accordance with the Government Code.

Condition:

- A. The Agency did not enroll and submit payroll information for two part-time mechanics that were active CalPERS members. The employees worked full-time for another CalPERS contracting agency and received full service credit during the review period. Agencies are required to enroll and report payroll for all CalPERS covered employment. CalPERS will determine what, if any, employment is considered overtime and whether employer and member contributions should be paid and reported.

- B. The Agency incorrectly reported a fire mechanic as a fire safety employee. Government Code Section 20433 requires a local firefighter to actively fight fires to be classified for a safety retirement. The job description for the fire mechanic indicated the position did not actively fight fires. Prior to employment as a fire mechanic, the employee was a firefighter. The employee continued to maintain a firefighter certification and provided firefighter services when Agency firefighters were on leave. However, Government Code Section 20433 defines local firefighter as any officer or employee of a fire department of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active firefighting ... even though that employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active firefighting ... but not excepting persons employed and qualifying as firefighters or equal or higher rank, irrespective of the duties to which they are assigned. As the fire mechanic's principle duties did not include active firefighting, and employment was not at a rank equal or higher to a firefighter, the fire mechanic did not qualify for a fire safety membership. Therefore, the fire mechanic should have been classified and reported as a miscellaneous employee. The Agency's contract with CalPERS provides fire safety employees a retirement benefit formula of 3% @ 55 and a fire mechanic or miscellaneous employee a retirement benefit formula of 2% @ 55. Records show the individual retired on November 1, 2011. As a result, the employee's retirement allowance was overstated.

Recommendation:

The Agency should ensure employees with active CalPERS membership are enrolled into membership.

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The Agency should ensure employees are reported in the correct classification.

The Agency should work with EAMD to identify and make adjustments, if necessary, to any impacted active member accounts pursuant to Government Code Section 20160.

Criteria:

Government Code: § 20160, § 20028, § 20305, § 20433

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5: The Agency incorrectly reported unused sick leave balances.

Condition:

- A. The Agency did not report the balance of unused sick leave for a retiree. At the time of retirement, the member had an unused sick leave balance of 2,452.57 hours, equivalent to 306.57 days. However, the Agency did not report the unused sick leave balance to CalPERS. Retiring members are eligible for additional service credit for unused sick leave accrued by the member during the normal course of employment. The total number of unused sick leave hours at retirement is converted to days to determine additional service credit.

- B. The Agency over reported the number of unused sick days for a retiree. The Agency reported an unused sick leave balance of 250 days; however, the correct number of days to report was 223.78 days. The variance was due to a conversion of sick leave hours the Agency processed prior to the employee's retirement. In August 2008, the employee's balance of unused sick leave was reduced by 568.02 hours when the position was reclassified from 56 hours per week to 40 hours per week. The Agency converted the hours back when the employee retired; however, the employee was credited with 777.706 hours, instead of 568.02 hours. As a result, the employee's unused sick leave reported to CalPERS included an additional 209.686 hours, or 26.22 days. Government Code Section 20965 limits unused sick leave certification to only those days accrued by the member during the normal course of employment.

Recommendation:

The Agency should ensure unused sick leave is reported correctly to CalPERS for retiring members.

The Agency should ensure unused sick leave certification complies with the Government Code.

The Agency should work with EAMD to assess the impact of this incorrect reporting and make any adjustments, if necessary, to any impacted retired member accounts pursuant to Government Code Section 20160.

Criteria:

Government Codes: § 20160, § 20965

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6: The Agency did not maintain the required member reciprocal self-certification.

Condition:

The Agency did not maintain the required member reciprocal self-certification for two employees hired after January 1, 2013. CCR Section 579.3 requires individuals to self-certify in writing as to whether he or she is also a member of another public retirement system and is eligible for reciprocity. Agencies are required to retain the retirement and benefit-related information provided by the newly-hired individuals.

Recommendation:

The Agency should ensure employees hired on or after January 1, 2013 certify in writing whether they are members of another public retirement system and provide the additional required information if reciprocity exists. Further, the Agency should ensure it retains the information provided.

The Agency should work with EAMD to identify and make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160.

Criteria:

Government Codes: § 20160, § 7522.02, § 7522.04
CCR: § 579.3

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Observation: The Agency reported non-reportable compensation.

Condition:

The Agency reported non-reportable compensation. Specifically, the Agency reported Temporary Upgrade Pay for a Fire Chief in the pay period ended June 1, 2014. Upon the employee's retirement, CalPERS EAMD reviewed the Temporary Upgrade Pay and determined the pay could not be included in the calculation of retirement benefits because it did not meet the definition of "compensation earnable" as defined in the PERL. OAS reviewed the issue and agrees with EAMD's decision that the Temporary Upgrade Pay is not reportable. On June 26, 2015, the individual appealed the decision. The appeal is still pending a decision.

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CONCLUSION

OAS limited this review to the areas specified in the scope section of this report and in the objectives outlined in Appendix A. The procedures performed provide reasonable, but not absolute, assurance that the Agency complied with the specific provisions of the PERL and CalPERS contract except as noted.

The findings and conclusions outlined in this report are based on information made available or otherwise obtained at the time this report was prepared. This report does not constitute a final determination in regard to the findings noted within the report. The appropriate CalPERS divisions will notify the Agency of the final determinations on the report findings and provide appeal rights, if applicable, at that time. All appeals must be made to the appropriate CalPERS division by filing a written appeal with CalPERS, in Sacramento, within 30 days of the date of the mailing of the determination letter, in accordance with Government Code Section 20134 and Sections 555-555.4, Title 2, of California Code of Regulations.

Respectfully submitted,

Original signed by Beliz Chappuie

BELIZ CHAPPUIE, CPA, MBA
Chief, Office of Audit Services

Staff: Cheryl Dietz, CPA, Assistant Division Chief
Alan Feblowitz, CFE, Senior Manager
Terry Heffelfinger, Lead Auditor
Noah Schreier, Auditor

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APPENDIX A

OBJECTIVES

CENTRAL COUNTY FIRE DEPARTMENT

OBJECTIVES

The objectives of this review were to determine whether the Agency complied with:

- Applicable sections of the Government Code (Sections 20000 et seq.), PEPRA, and Title 2 of the CCR.
- Reporting and enrollment procedures prescribed in the Agency's retirement contract with CalPERS.

This review did not include an assessment as to whether the Agency is a "public agency," and expresses no opinion or finding with respect to whether the Agency is a public agency or whether its employees are employed by a public agency.

METHODOLOGY

To accomplish the review objectives, OAS interviewed key staff members to obtain an understanding of the Agency's personnel and payroll procedures, reviewed documents, and performed the following procedures.

- ✓ Reviewed:
 - Provisions of the contract and contract amendments between the Agency and CalPERS
 - Correspondence files maintained at CalPERS
 - Agency Board minutes and Agency Board resolutions
 - Agency written labor policies and agreements
 - Agency salary, wage, and benefit agreements including applicable resolutions
 - Agency personnel records and employee time records
 - Agency payroll information including Contribution Detail Transaction History reports
 - Documents related to employee payrate, special compensation, and benefits
 - Various other relevant documents
- ✓ Reviewed Agency payroll records and compared the records to data reported to CalPERS to determine whether the Agency correctly reported compensation.
- ✓ Reviewed payrates reported to CalPERS and reconciled the payrates to Agency public salary records to determine whether base payrates reported were accurate, pursuant to publicly available pay schedules that identify the position title, payrate and time base for each position, and duly approved by the Agency's governing body in accordance with requirements of applicable public meetings laws.

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- ✓ Reviewed CalPERS reports to determine whether the payroll reporting elements were reported correctly.
- ✓ Reviewed the Agency's enrollment practices for temporary and part-time employees to determine whether individuals met CalPERS membership requirements.
- ✓ Reviewed the Agency's employment practices for retired annuitants to determine if retirees were lawfully employed and reinstated when unlawful employment occurs.
- ✓ Reviewed the Agency's independent contractors to determine whether the individuals were either eligible or correctly excluded from CalPERS membership.
- ✓ Reviewed the Agency's affiliated entity organizational structure to determine whether employees of the affiliated entity qualified for CalPERS membership and were enrolled as required.
- ✓ Reviewed the Agency's calculation and reporting of unused sick leave balances, if contracted to provide additional service credits for unused sick leave.

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APPENDIX B

AGENCY'S WRITTEN RESPONSE



CENTRAL COUNTY FIRE DEPARTMENT

Serving the Cities of Burlingame and Millbrae and the Town of Hillsborough

October 12, 2016

Ms. Belize Chappuie
CalPERS
Office of Audit Services
P.O. Box 942701
Sacramento, CA 94229-2701

Re: Audit of Central County Fire Department CalPERS ID 2986532158 Job Number P14-087

Dear Ms. Chappuie:

We received the draft audit report for the recent field work conducted by CalPERS as referenced above, and offer responses as indicated in the attached table.

I would like to take this opportunity to thank you and your staff that have completed this review.

If you have further questions, please call me at (650)375-7408 or email at jcooke@hillsborough.net

Sincerely,

Original signed by Jan Cooke

Jan Cooke
Finance Director

Cc: John Kammeyer, Fire Chief
Lisa Goldman, Chief Administrative Officer Central County Fire Department & City Manager,
City of Burlingame
Katharine Leroux, City Manager Town of Hillsborough
Kristin Armbruster, Human Resources Manager
Paula Forencich, Senior Accounting Technician

Central County Fire Department
 Response to Draft CalPERS Compliance Review Report dated 9/13/2016

Recommendation	
<p>Item 1. The Agency should ensure it has a pay schedule that meets all of the Government Code and CCR Requirements</p> <p>The Agency should work with EAMD to identify and make adjustments, if necessary to impacted active and retired member accounts pursuant to Government Code Section 20160.</p>	<p>CCFD will implement board approval of changes to the pay schedule. The next change is in early 2017.</p> <p>CCFD believes there is no action required as there are no impacted accounts, but will work with Employer Account Management Division (EAMD) as necessary.</p>
<p>Item 2. The Agency should only report items of special compensation that comply with Government Code and CCR requirements.</p> <p>The Agency should report Uniform Allowance in the period(s) earned.</p> <p>The Agency should ensure that the written labor policy or agreement contains the conditions for payment of Holiday Pay as required by the Government Code and CCR.</p>	<p>CCFD implemented in July 2016. Uniform Allowance is now reported to CalPERS and paid in each pay period, so reporting now complies with the requirement that the pay periods are identified in which special compensation was earned.</p> <p>The Memorandum of Understanding will be updated. It is currently under revision and will specifically incorporate:</p> <ul style="list-style-type: none"> • List and define Shift Differential Pay. • Change definition of ALS to meet definition as special pay • Change the requirements for Educational Incentive Pay so that requirements are not combined for longevity and EMT certification • Include all of the conditions of payment for Holiday Pay, including eligibility and the calculation (base rate or base rate plus special compensation)

<p>The Agency should work with EAMD to identify and make adjustments, if necessary to any impacted active and retired member accounts pursuant to Government Code 20160.</p>	<p>CCFD requests that these changes be applied prospectively, in order to align the new Labor MOU with the changes to reporting special pay.</p>
<p>Item 3. The Agency should ensure payrates are correctly reported to CalPERS</p> <p>The Agency should ensure the normally scheduled hours per week are correctly reported to CalPERS</p> <p>The Agency should work with EAMD to identify and make adjustments, if necessary to any impacted active and retired member accounts pursuant to Government Code Section 20160.</p>	<p>CCFD implemented in July 2016 to report scheduled hours at 40 hours per week for part time positions, and also to report the full-time monthly payrate for part time positions.</p> <p>As the recommendation has already been implemented, CCFD hopes that this reporting can be adopted prospectively.</p>
<p>Item 4. The Agency should ensure employees with active CalPERS membership are enrolled in membership.</p> <p>The Agency should ensure employees are reported in the correct classification.</p> <p>The Agency should work with EAMD to identify and make adjustments, if necessary to any impacted active member accounts pursuant to Government Code Section 20160</p>	<p>The two members identified in the preliminary audit report are no longer on payroll as of 6/30/2013 and 4/26/2013. CCFD has implemented the process to enroll and report for positions that work part time for CCFD that also work full time for another CalPERS contracting agency. As stated in the report, CalPERS will determine what, if any, employment is considered overtime and whether employer and member contributions should be paid and reported.</p> <p>CCFD agrees that principal duties as mechanic are not within the definition of firefighter as the duties do not fall within the scope of active firefighting, and therefore Safety Classification will be changed to Miscellaneous Classification. CCFD's Mechanic position was changed to a Non-Safety Classification in 2013 and a job description was completed.</p> <p>CCFD will work with EAMD to make adjustments to any impacted accounts.</p>

<p>Item 5. The Agency should ensure unused sick leave is reported correctly to CalPERS for retiring members.</p> <p>The Agency should ensure unused sick leave certification complies with the Government Code.</p> <p>The Agency should work with EAMD to assess the impact of this incorrect reporting and make any adjustments, if necessary, to any impacted retired member accounts pursuant to Government Code Section 20160.</p>	<p>CCFD corrected the unused sick leave report for the retiree listed in the report as of October 11, 2016.</p> <p>CCFD agrees that the unused sick leave conversion calculation for members moving from a 56 hour per week position to a 40 hour per week position should change, and should not be recalculated at retirement back to 56 hours.</p> <p>CCFD will work with EAMD to ensure correct reporting and make as necessary.</p>
<p>Item 6. The agency should ensure employees hired on or after January 1, 2013 certify in writing whether they are members of another public retirement system and provide the additional required information if reciprocity exists. Further the Agency should ensure it retains the information provided.</p> <p>The Agency should work with EAMD to identify and make adjustments, if necessary to any impacted active and retired member accounts pursuant to Government Code Section 20160.</p>	<p>This was completed in July 2016. Reciprocal self-certification forms, indicating whether an employee/member is also a member of another public retirement system and whether he or she is eligible for reciprocity, have been collected and are retained for all members.</p> <p>CCFD believes there is no action required as there are no impacted accounts, but will work with EAMD as necessary</p>
<p>Item 7. The Agency reported non-reportable compensation for Temporary Upgrade Pay for a Fire Chief. EAMD reviewed the matter at retirement and concluded that it cannot be included in calculation of retirement benefits as it did not meet the definition of "compensation earnable". It is under appeal by the retiree.</p>	<p>CCFD agrees with the finding. No further action is required by CCFD as amounts have been calculated and reported as of 7/20/2015.</p>