



## Retirement-Eligible Compensation Policy

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### **I. Statement of Purpose**

- A. To establish a procedure for review of retirement-eligible compensation for San Joaquin County Employees' Retirement Association ("SJCEA") members.

### **II. All Compensation Types Must Be Reviewed by SJCEA**

- A. "Compensation Earnable" (Government Code Section 31461) and "Pensionable Compensation" (Government Code Section 7522.34) are used to determine the retirement contributions payable to SJCEA and the benefits payable by SJCEA to members and beneficiaries. For purposes of this policy, Compensation Earnable and Pensionable Compensation are collectively referred to as "Retirement-Eligible Compensation."
- B. Before a participating employer implements a new compensation type, SJCEA must determine if it qualifies as Retirement-Eligible Compensation. Participating employers must submit to SJCEA for review any new compensation type with sufficient detail to permit SJCEA to determine whether the compensation items will be considered Retirement-Eligible Compensation.

### **III. SJCEA Staff Authority**

- A. The CEO shall cause to be implemented a procedure to review new compensation types adopted by participating employers to determine whether the compensation type complies with statutory requirements and the practice or direction of the Board of Retirement ("Board"). Such procedure shall become effective only after counsel review and concurrence.
- B. Upon receiving information about the compensation items from participating employers, the CEO or designee shall determine whether such items should be excluded from Retirement-Eligible Compensation.
- C. If the compensation type is substantively the same as other, previously Board-approved compensation types and is not excluded by law, then the CEO or designee (with concurrence from counsel as necessary or appropriate) is authorized to include such compensation type as Retirement-Eligible Compensation. The CEO or designee shall present these new compensation types to the Board for ratification as set forth in Section IV(A).

#### **IV. Board Approval**

- A. The Board shall annually adopt and revise a resolution designating which compensation types shall be included in Retirement-Eligible Compensation.
- B. Any compensation types that do not meet the standards set forth in Section III(C) will be separately presented to the Board.

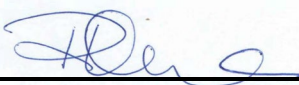
#### **V. Policy Review**

- A. Staff shall review this Policy at least once every three years to ensure that it remains relevant, appropriate, and in compliance. Any revisions or amendments to this policy must be approved by the Board in accordance with the bylaws.

#### **VI. History**

02/09/2018 Adopted by Board of Retirement  
06/29/2018 Staff updated format  
04/12/2019 Policy Review section amended to at least once every three years  
07/09/2021 Staff reviewed, no content changes  
07/11/2025 Staff reviewed, minor content changes

#### **Certification of Board Adoption**

  
Clerk of the Board

07/11/2025

Date