

September 15, 2020

Diane Rundles  
385 North Arrowhead Avenue, Fifth Floor  
San Bernardino, CA 92415-0120

Subject: Request for Information Re Pay Item - Canine Pay

Dear Ms. Rundles,

On August 6, 2020, the SBCERA Board of Retirement adopted a resolution to implement the California Supreme Court's decision issued on July 30, 2020 in the case known as *Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association, et al.* (S247095, also known as "the *Alameda* decision"). In the *Alameda* decision, the Supreme Court ruled that the California Legislature's modification of certain statutes that govern SBCERA are constitutional and must be applied, even though they change the retirement benefits that will be provided to individuals who were employed before the statutes were enacted but who retired on or after the effective date of the statutory changes. These changes became effective on January 1, 2013, with the implementation of the California Public Employees' Pension Reform Act of 2013 (PEPRA). PEPRA required the exclusion of certain pay items from compensation earnable—specifically pay for services rendered outside of normal working hours, such as standby pay, on-call pay, and call-back pay.

Canine pay, among other similar pay items mentioned above, has been identified as a pay item which may fall within the PEPRA exclusion requirement. In order for the SBCERA Board to determine whether canine pay should be excluded or included as compensation earnable for SBCERA Tier 1 members, please provide a response to the following questions:

Canine Pay:

1. Provide a description of canine pay. Please submit supporting materials, such as MOU or side letter agreement for such pay, or any other pertinent information.
2. State the classified positions eligible to receive canine pay.
3. Under FLSA, what is the regular tour of duty of each of the eligible classified positions listed in #2?
4. Specify the normal working hours of each of the classified positions listed in #2.
5. What is the rate of pay for each of the classified positions listed #2?
6. What is the rate of pay of canine pay that is received by an eligible employee?
7. Does an employee receive overtime pay for canine pay?
8. Is canine pay for services rendered outside normal working hours? If no, please explain.
9. Are the services performed by the employee required or voluntary?

## Exhibit A: Page 2

Upon receipt of your response, staff will review and place the item on the next Board's agenda for a determination by the Board. Please provide the response by Friday, September 18, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read 'AMc', with a stylized flourish extending from the end.

Amy McInerney  
Chief Financial Officer, SBCERA