



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

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### Agenda Item 15

**MEETING DATE:** January 15, 2025

**SUBJECT:** CEO Delegated Authority Policy for Expenses

**SUBMITTED FOR:**  X  Action          Information

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### **RECOMMENDATION**

Approve amendments to CEO Delegated Authority Policy for Expenses.

### **PURPOSE**

This item supports the Strategic Management Plan by maintaining transparent communications to stakeholders and demonstrating fiscal responsibility and stewardship.

### **SUMMARY**

Staff is seeking amendments to authorize the CEO to approve travel expense upgrades and designate staff to approve payment for good and services aligned with business procedure within the limits of delegated authority.

### **DISCUSSION**

In March 2024, the board approved amendments to authorize the CEO to approve travel expenses for international travel for the SCERS investment team as well as travel expenses for Board trustees and other non-County employees as reimbursable claims outside of the County's travel system. Staff now seeks additional authorization to allow the CEO to approve travel flight upgrades and appoint a designee to approve payments for routine goods and services. Neither action will fundamentally change current business practices; these amendments clarify current authority and increase transparency of business practice and procedure.

Staff believes that flight upgrades are necessary in some instances of extended travel, wherein staff is traveling across the United States or to an overseas location. Additionally, flight upgrades may be appropriate to accommodate or mitigate extenuating medical circumstances. Staff utilizes the County's travel policy and system in most instances, and it provides a standardized approach to ensure consistency, compliance with IRS business-expense rules, and internal controls that reduce the risk of inappropriate or incorrect travel reimbursements.

Additional language added to the policy for a "designee" will sanction current business practices. There are practical needs for a designated staff to approve payment of routine goods and

services, one of which is to facilitate timely processing and payment. Oversight is already addressed and managed by business procedure.

**ATTACHMENTS**

- Board Order
- CEO Delegated Authority Policy for Expenses – redline
- CEO Delegated Authority Policy for Expenses – clean

Prepared by:

/S/

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Margo Allen  
Chief Operations Officer

Reviewed by:

/S/

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Eric Stern  
Chief Executive Officer



# Retirement Board Order

## Sacramento County Employees' Retirement System

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Before the Board of Retirement  
January 15, 2025

AGENDA ITEM:

### CEO Delegated Authority Policy for Expenses

THE BOARD OF RETIREMENT hereby accepts the recommendation of staff to approve amendments to CEO Delegated Authority Policy for Expenses.

I HEREBY CERTIFY that the above order was passed and adopted on January 15, 2025, by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES:

(Present but not voting)

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James Diepenbrock  
Board President

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Eric Stern  
Chief Executive Officer and  
Board Secretary



# CEO DELEGATED AUTHORITY POLICY FOR EXPENSES

## PURPOSE

The purpose of this Policy is to provide for the efficient and effective management of SCERS by delegating authority from the Board to the SCERS Chief Executive Officer (CEO) to approve payments and to settle or otherwise dispose of claims as specified.

## POLICY

The Board hereby delegates and/or confirms its delegation of authority to the CEO, on behalf of and in the name of SCERS, to approve payments for such goods and services as the CEO determine to be reasonably necessary as defined below.

### A. Delegated Authority up to \$75,000

The CEO may, without prior Board approval, approve transactions and/or enter into goods and services contracts that do not obligate SCERS to pay more than \$75,000 per vendor in a fiscal year. Under this authority, the CEO may (without limitation) approve payments for:

- Goods and services from any vendor as the CEO deems necessary and appropriate, including goods and services for which the County of Sacramento has approved vendors;
- Expenses arising from SCERS-related litigation, including expenses arising from court judgments, settlements, attorney's fees, and litigation costs; and
- Recruitment costs for exempt positions, excluding signing bonuses.

The CEO may designate staff, as identified in Section D below, to purchase office supplies and routine goods and services through County vendor portals, e.g., Staples Business Advantage.

### B. Delegated Authority for Contract Amendments

The CEO has the authority to amend existing Board-approved contracts for goods and services that do not obligate SCERS to pay more than \$75,000 per vendor in a fiscal year.

### C. Delegated Authority in Excess of \$75,000

With written approval of the Board President (which may include approval by electronic mail or facsimile transmission), the CEO may approve payments under Paragraphs A and B that do not obligate SCERS to pay more than \$150,000 per vendor in a fiscal year.

#### **D. Delegated Authority to Obtain a Commercial Credit Card**

The CEO has the authority to obtain a commercial credit card for use in the purchase of governmental goods and services. The CEO is hereby directed to develop internal procedures with the appropriate safeguard and control measures for using (purchasing), reviewing (reconciling), and processing (paying) cardholder accounts.

Purchases shall not include the following:

- Cash Advances or Withdrawals
- Alcohol
- Gift Cards
- Fixed Assets
- Money Orders
- Other excluded items identified in the internal procedures

Cardholders will be limited to the following three (3) individuals:

- Executive Secretary or Equivalent Office Specialist Series Classification
- Chief Operations Officer
- Officer Manager/Administrative Services Officer II

#### **E. Delegated Authority for Travel Expenses**

The CEO has the authority to approve travel requests and travel expenses for domestic and international travel for SCERS' Staff. Travel reimbursements shall follow County travel policies and procedures for County employees.

The CEO or designee has the authority to authorize processing of travel reimbursement claims outside of Sacramento County's travel expense system for non-County employee travel, including but not limited to Board trustees, disability retirement applicants, and job candidates, consistent with documentation requirements and limits in County travel policy and procedures.

The CEO has the authority to approve flight upgrades for extended travel outside of California and/or medical accommodation.

#### **F. Exceptions to Delegated Authority**

The CEO has the authority to approve payments and secure services and service providers up to an amount that the CEO deems necessary and appropriate for the following items:

- Evaluation of disability retirement applications;
- Service charges from County departments;
- Insurance costs (e.g., fiduciary insurance); and
- Emergency management costs in response to a force majeure event or a government-declared state of emergency impacting SCERS and its employees and members.

## APPLICATION

Any approved expenses and contracts or contract amendments for goods and services entered into pursuant to this policy shall comply with the budget adopted by the Board.

SCERS' General Counsel shall review any contracts or contract amendments entered into pursuant to this delegation of an amount or complexity, as determined by the CEO or his or her designee, to warrant such review, and any claims settled pursuant to this delegation.

The CEO shall provide a quarterly report to the Board of any approved expenses entered into pursuant to Sections A through F of this policy for an amount greater than \$5,000. The report shall include only one-time or special project expenses related to service charges from County departments that are not regular or recurring.

## AUTHORITY

Government Code Sections 31522.1, 31522.2, 31580.2, 31588.2, 31589 and 31590.

## RESPONSIBILITIES

Executive Owner: Chief Executive Officer

## POLICY HISTORY

Date	Description
<u>01-15-2025</u>	<u>Board amended CEO Delegated Authority Policy for Expenses</u>
03-20-2024	Board amended CEO Delegated Authority Policy for Expenses
09-20-2023	Board amended CEO Delegated Authority Policy for Expenses
01-18-2023	Board amended CEO Delegated Authority Policy for Expenses
03-18-2020	Board approved the revised CEO Delegated Authority Policy for Expenses
03-20-2019	Board approved the revised CEO Delegated Authority Policy for Expenses
04-18-2018	Board combined and amended all three delegations in revised policy format
04-17-2013	Board approved Delegation of Claims Settlement Authority in Resolution 2013-06
07-15-2010	Amended Delegation of Contract Authority in Resolution 2010-12
10-21-2004	Board approved Delegation of Contract Authority for Services for Disability Retirement Application Processing and Evaluation in Resolution 2004-06
06-21-2001	Board approved Delegation of Contract Authority in Resolution 2001-02



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