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San Bernardino County Employees'
Retirement Association

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Area General
Applicability SBCERA
systemwide

Solicitation Policy

POLICY NO. 016

I. Introduction

The San Bernardino County Employees' Retirement Association (SBCERA) is a public retirement fund system charged with administering a pension trust. The SBCERA Board of Retirement members (Trustees) and key staff members of the system are subject to strict fiduciary responsibilities under the law regarding trusts and public agencies. The protocols set forth in this document are intended to ensure that the Trustees and staff adhere to the highest ethical standards, avoiding not only any actual undue influence or conflict of interest, but also the possibility and the appearance thereof.

Government, public fund and institutional investment entities necessitate that public officials and fiduciaries interact, on a regular and personal basis, with private sector individuals and organizations of substantial wealth, with the latter not subject to the same ethical and conflicts requirements as public officials. Such interactions can sometimes lend themselves to solicitation from professional acquaintances of favors, and in particular to requests for charitable donations to a person's favored causes or organizations. While this may be common and widely accepted in the private sector or in other places and organizations, the Board of Retirement (Board) believes that the integrity of SBCERA's trust requires strict rules limiting such solicitation.

This policy is intended to be consistent with, and complimentary to, the Board's existing policy on Ethics, and with the Political Reform Act and the regulations thereunder addressing these same topics, but is intended to pose stricter limitations with respect to the specific subject matter hereof.

II. Operating Criteria

Other than in the performance of their official duties, no member of the SBCERA Board or staff who is required to file FPPC Form 700 (collectively "SBCERA officials") shall use the prestige, relationships, or

influence of SBCERA, directly or indirectly, for private gain or advantage, or for the private gain or advantage of another. If an SBCERA official has been informed that SBCERA does business or may be reasonably expected to do business with an entity, the SBCERA official shall not communicate with that entity or any officer, agent, or employee thereof, to discuss, propose, solicit, arrange, or cooperate in the proposal or arrangement of any transaction, payment, donation, or solicitation other than those arising from the SBCERA official's duties on behalf of SBCERA, and relating to SBCERA's business or prospective business with the person or entity.

The prohibitions of this policy include but are not limited to contacts regarding any gift, donation, contribution or other support to any person, organization or entity with whom the SBCERA official, or their spouse or dependent child (California Code of Regulations section 18229.1), has any substantial formal or informal relationship, including membership or similar affiliation. The prohibitions in this policy apply even if the gift, donation, transaction, or contribution would not be a reportable "gift" under the California Political Reform Act.

III. Charitable Nonprofit Organization

Notwithstanding the foregoing, an SBCERA Official with the approval of the Chief Executive Officer (CEO), may request the Board's approval to allow the SBCERA official to set up, facilitate, or otherwise provide support to a program designed to facilitate contributions to a charitable nonprofit organization which is tax-exempt under section 501 of the Internal Revenue Code, or any similar entity. The requesting official shall disclose to the Board any substantial relationship that the official or the official's spouse or dependent child may have with the organization to be benefited. Any solicitations for contributions to such a program shall be broadly distributed, and shall not be targeted to entities or persons with whom that official has been informed that SBCERA does business or may reasonably expected do business. The SBCERA official shall not take the actions authorized by this paragraph unless the Board approves such actions as consistent with the goals of this policy.

IV. Campaign Contributions

The Board recognizes that extensive federal, state, and local law applies to govern political contributions and the conduct of public officials with respect to such contributions and the officials' relationships with those who give such contributions, and is designed to prevent conflicts of interest and the possibility or appearance thereof. Because such solicitations and contributions are already heavily regulated by statute and other law, the provisions of this policy shall not apply to, or in any way restrict or prohibit, the solicitation or receipt of campaign contributions by an SBCERA Official who is a holder or candidate for public office.

V. Policy Violations

Any SBCERA official who becomes aware that a violation of this policy may have occurred shall immediately report that fact to the CEO and/or the Chief Counsel, who shall immediately inform the Board Chairman of the possible violation and then, after consultation, take further appropriate action consistent with this policy and any applicable law.

Exhibit A: Page 3

Any staff member who knowingly violates this policy shall be subject to discipline in the discretion of the employee's appointing authority, after consultation with the CEO and Chief Counsel, and a report on the same shall be given to the Board at the next available regular Board meeting.

In the event that a Trustee knowingly violates this policy, the Board shall consider, at the next available regular Board meeting after such facts become known, such corrective action as may be authorized by law and by SBCERA's By-Laws and Policies.

On request of a Trustee, staff shall provide a list of current vendors with whom SBCERA does business, or may reasonably be expected to do business in the foreseeable future. Such list shall include but not be limited to custodial funds, investment consultants, investment managers, law firms, audit firms, actuarial firms and information technology firms. A SBCERA official who solicits a benefit from such a firm shall not be found to have violated this policy if the firm was not listed pursuant to this paragraph and the official did not have specific knowledge that SBCERA was doing business with, or in discussions to do business with, the firm.

Approval Signatures

Step Description	Approver	Date
Policy Owner	Debby Cherney: Chief Executive Officer	Pending

Applicability

SBCERA, SBCERA Internal