

Status **Pending** PolicyStat ID **11559998**



San Bernardino County Employees'
Retirement Association

Origination	5/2/2019
Last Approved	N/A
Effective	Upon Approval
Last Revised	4/14/2022
Next Review	3 years after approval

Area	Education and Training
Applicability	SBCERA systemwide

Staff Education/Training, Travel & Expenses Policy

POLICY NO. 002

I. Policy Objectives

The San Bernardino County Employees' Retirement Association (SBCERA or the Plan) is a public agency charged with administering a public pension trust fund. The agency and the Plan are subject to restrictive fiduciary standards established under pension trust law. The policies set forth in this document are intended to comply with common law trust requirements and Internal Revenue Code (IRC) statutes regulating travel reimbursements. SBCERA staff (Staff) action should reflect sensitivity to the Plan members and their beneficiaries on whose behalf the Staff serve, as well as the government entities who underwrite the Plan.

In order to enhance their ability to conduct operations and administration aspects of the Plan, the Staff regularly attend educational meetings, conferences and seminars related to the business of the Plan. This policy governs the approval of training and travel requests, the appropriateness of such educational forums, and reimbursement or direct payment by SBCERA of reasonable actual and necessary expenses incurred by Staff when traveling on SBCERA business.

II. Education Requirements

With the approval of the respective department Chiefs and the Chief Executive Officer (CEO), and within approved budgets, staff is encouraged to participate in appropriate conferences and training in furtherance of SBCERA's core business goals, strategic plan and priorities. Such training may include attendance at the California Association of Public Retirement Systems (CALAPRS) overview and advanced courses in retirement plan administration, CALAPRS roundtables, or industry or role-specific training including, but not limited to, Government Finance Officers Association, Public Pension Financial

Forum, National Association of Public Pension Attorneys, and the International Foundation of Employee Benefit Plans.

Staff shall meet all required regulatory training requirements such as required harassment training and/or ethics/fraud prevention.

Certain positions carry specific professional designations and certifications that are required for the position or carry significant benefit for the Plan. Therefore, continuing professional education is supported by SBCERA to maintain those required designations, upon approval of the CEO. Examples of certifications include, but are not limited to, Certified Financial Analyst (CFA), Certified Public Accountant (CPA), Licensed Attorney, Certified Employee Benefits Specialist (CEBS), Project Management Professional (PMP), Notary Public and Certified Governmental Financial Manager (CGFM).

III. Approvals

Staff requests for education/training and travel, within the continental United States, shall be approved by the CEO or designee. Requests shall include all expected expenses including but not limited to airfare, registration fees, lodging, meals, transportation and any other expenses. Expenses should not be incurred until the travel has been approved.

The CEO's travel requests within the continental United States must be approved in advance by the Board Chair and Chief Counsel. The CEO's travel and expense reimbursement for education-related travel will be included with the quarterly Board report, which shall be placed on a public agenda for the Board to ratify the expenses incurred. (This report is described in more detail in Education and Training Policy No. 003 – Trustee Travel and Expense Policy).

Any travel for education outside of the continental United States must be approved in advance by the SBCERA Board of Retirement, on a publicly noticed agenda.

IV. Travel and Reimbursement Guidelines

The Chief Financial Officer is responsible for ensuring that all travel and expense reimbursements are in accordance with established guidelines and laws; the Chief Executive Officer may approve expenses outside of guidelines in limited circumstances in which the expenses incurred were necessary and benefit SBCERA.

The SBCERA Administrative office, or designated department assistants, are responsible for the central booking of conferences, travel and lodging reservations for staff once approvals have been secured, as well as any resulting cancellations thereof.

A. Airfare:

SBCERA will reimburse the cost of a basic coach ticket and one piece of baggage. SBCERA recognizes that airlines are increasing the use of special fees and baggage charges, and such may be reimbursed with the approval of the CEO. Domestic and international travel should be booked in advance, when possible, at coach or lowest fare rates; the benefit of locking in a fare should be weighed against the risk of having to make changes in travel plans with additional costs or fees. Business class airfares are

allowed if the air travel will be in excess of six (6) hours.

B. Lodging:

Staff is encouraged to stay at the conference hotels, where possible. Transportation, availability, convenience and safety may all be a basis for lodging decisions. Expense costs, including lodging and meals, for extra days prior to or after a conference/meeting will be reimbursed if such extension results in lower overall trip costs or is necessitated by the conference/meeting schedule or available flights. Staff shall provide documentation of such costs, and seek advance approval from the CEO. Costs for Wi-Fi are reimbursable, when connectivity is required.

C. Mileage and Other Transportation Costs:

Mileage will be reimbursed based on the standard mileage rates for business miles, as determined by the Internal Revenue Service. Mileage is calculated as follows:

1. If Staff travels from/to the SBCERA office to/from a business destination, the mileage is calculated from/to the SBCERA office to/from the business destination.
2. If Staff travels from/to their designated home location directly to/from a business destination other than the SBCERA office, the mileage is calculated from/to their home to/from the business destination, less the Staff's normal commuting miles, each way. SBCERA does not reimburse Staff for commuting miles (miles drive from/to the designated home location to/from the SBCERA office). Commuting miles shall not be deducted from the gross mileage if travel occurs on a holiday outside Staff's regularly scheduled work days.
3. Mileage reimbursement is considered to cover all expenses of operating a vehicle, including insurance, maintenance, tires, oil, etc. Mileage does not include parking or toll charges, the actual cost of which is reimbursable with a receipt, where possible.
4. Staff receiving an auto allowance shall not be reimbursed by SBCERA for mileage.

Staff will be reimbursed for reasonable and necessary transportation costs such as public transportation, taxis, ride-sharing services such as Uber or Lyft, and car service.

D. Meals:

Staff may seek reimbursement for meals at either a per diem rate, or by actual expense. Per diem rates were last updated on January 1, 2016 at the rate of \$17 for breakfast, \$18 for lunch, and \$34 for dinner. The Chief Financial Officer will annually review the per diem rates and propose adjustments (in line with Internal Revenue Service guidelines) to the CEO and Board Chair for approval.

1. SBCERA will not reimburse for business meals that are lavish or extravagant. The cost of the meal must be reasonable based on the facts and circumstances. SBCERA acknowledges that some travel destinations have much higher expenses for meals; the CEO is authorized to approve such expenses.
2. Where seeking reimbursement for actual expenses, itemized receipts, with a listing of food and beverages, is required. Alcohol will not be reimbursed. Claims not accompanied by an itemized receipt may be approved in the CEO's sole discretion, or in the case of the CEO, by the Board Chair. A meal gratuity of 15% to 20% is generally considered a reasonable amount, which is reimbursable as part of the cost of the meal.

3. In the absence of special circumstances or meal restrictions, as determined by the CEO, a meal will not be reimbursed if that meal was provided at a hosted function, such as meals included with event attendance. However, if attending an event and only a continental breakfast or a reception is provided, such is not considered a meal and reimbursement may be claimed.
4. Meals incurred relating to business or education at which no overnight stay is required are reimbursable only by actual cost. Reimbursement for the actual cost of breakfast and/or dinner is allowed if justification is submitted showing the business day was at least one and a half (1.5) hours earlier or later, respectively, than the Staff's normal working day.

E. Incidentals:

Any incidental expenses (such as tips for porters, baggage carriers, bell staff or housekeeping staff, or for snacks or non-alcoholic beverages), incurred during SBCERA business travel are reimbursable up to \$20 per day. Receipts are not required. Reimbursable incidental expenses do not include expenses for laundry, cleaning and pressing of clothing, personal reading materials, etc.

F. Impermissible Expenses:

Movies, alcohol, mini-bar, entertainment, personal items, companion expenses and other non-essential services will not be reimbursed.

G. Reimbursement:

Upon completion of a meeting, seminar, conference, due diligence meeting or speaking engagement, Staff shall complete a claim for the business-related expenses within thirty (30) days of the conclusion of the travel. Reimbursements submitted after thirty (30) days must be approved by the CFO and CEO. Late reimbursement requests or credit card justifications may be required to be reported as taxable income to the Staff member.

In order to receive reimbursement for valid business expenses, the request must meet all of the following requirements:

1. Must be a business reason for the expense and must have paid for the expense while performing services as a Staff member of SBCERA.
2. Must adequately and clearly account to SBCERA for these expenses by including the business purposes and names of attendees. Itemized receipts are required for all business expenses incurred, except where obtaining an itemized receipt is not possible, such as a gratuity, or for per diem meals noted above. The CEO may approve an expense if a receipt was lost.
3. SBCERA generally does not provide advances to Staff for travel. However, if Staff will incur an undue hardship due to the business travel, the CEO may approve an advance for estimated business expenses, only if an SBCERA issued business credit card is not available for payment of such expense. The amount of an advance shall be limited to reasonable allowable expenses which are anticipated to be incurred during such trip. Where applicable, the Staff member must return any amount advanced in excess of actual business expenses within thirty (30) days of the conclusion of the travel.

H. Frequent Flier or Guest Loyalty Programs:

Staff may retain the frequent flier or guest loyalty program points earned while traveling for SBCERA. However, flights and hotels should be selected solely on the basis of meeting the needs of SBCERA, without regard to loyalty program relationships. If a Staff member redeems miles for business travel, such value will not be reimbursed by SBCERA.

V. Use of an SBCERA Issued Business Credit Card

Certain staff will be issued an SBCERA business credit card at the CEO's discretion. Charges to the card shall be for business purposes only.

Credit card justification statements must be completed and submitted by the card users for all charges no later than thirty (30) days after the expenses were incurred. Cards shall be de-activated if justification statements are not submitted within sixty (60) days after the expenses were incurred, and shall not be re-activated until all outstanding justification statements have been submitted and approved as reasonable and necessary. In the absence of such submission, the Staff member shall reimburse SBCERA for all charges.

Staff members failing to submit a credit card justification and/or reimbursement for non-business charges on a credit card may result in disciplinary action.

Approval Signatures

Step Description

Approver

Date

Debby Cherney: Chief
Executive Officer

Pending