



# Trustee and Executive Staff Travel Policy

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## I. Purpose

- A. The Board of Retirement (Board) and designated staff have a fiduciary duty to obtain education on matters of public pension investments and administration, to monitor the investments and administration of the Trust, and to monitor the work of those to whom the Board has delegated authority to manage and administer Trust assets.
- B. To execute this oversight, Trustees and/or Executive Staff may be required to participate in business meetings, educational programs and conferences and seminars on behalf SJCERA in or outside of the state of California.
- C. For purposes of this policy Executive Staff are defined as:
  - 1. Chief Executive Officer (CEO)
  - 2. Assistant Chief Executive Officer
  - 3. Retirement Investment Officer
  - 4. Chief Counsel
- D. Trustees and Executive staff are entitled to reimbursement for usual and reasonable expenses incurred in fulfilling their leadership role and it is the purpose of this policy to establish guidelines for approval and reimbursement of travel and related expenses that are incurred while fulfilling those roles.

## II. Requests for Travel

- A. To assist the Board and Executive Staff in the planning of travel, the CEO is responsible for developing and managing education and travel expense programs consistent with the best interests of SJCERA. A schedule of upcoming conferences, meetings and seminars will be developed, maintained and provided as part of the Board's monthly meeting agenda.
- B. Any Board or Executive Staff member requesting to attend an event that requires an overnight stay must notify the CEO or designee in advance. A formal Travel Request for attendance at the event will be completed by SJCERA staff. The Travel Request will identify the event, dates, location, proposed SJCERA attendees, and estimated costs, with the event agenda and schedule attached, if available.
- C. Requests to attend conferences, meetings, seminars or special sessions sponsored by the State Association of County Retirement Systems (SACRS) and the California Association of Public Retirement Systems (CALAPRS) are considered approved travel without further action of the Board.
- D. Each Trustee is allotted \$4,500 for the calendar year. Excluded from the allotted annual amount are the educational opportunities listed in section II.C of this policy. The Board may approve exceptions to the annual travel cap in accordance with section III.B of this policy.

- E. All travel requests shall be summarized on the “Summary of Pending Trustee and Executive Staff Travel” report, updated and included in the Board’s monthly meeting agenda for information or action as appropriate. The report will include the status of the travel request approval.
- F. Trustees and Executive Staff shall notify the CEO or designee of any changes in travel or accommodation arrangements in a timely manner. Failure to do so may result in the Trustee or Executive Staff member being held responsible for any additional costs incurred as a result of changes or cancellation.

### **III. Approval of Travel**

- A. All requests for travel subject to this policy require approval in advance by the Board.
  - 1. Exception: It is recognized that due to emergency circumstances, there may be a need for travel that arises precluding prior approval by the Board. In those situations, the CEO will consult with the Board Chair to determine the appropriateness of the travel. If approval of the requested travel is granted, the CEO shall, upon receipt of written approval by the Board Chair, authorize travel on behalf of the Board.
- B. In determining the priority and approval for attendance at conferences, meetings and seminars, the Board shall consider:
  - 1. The extent to which the participants’ capacity to carry out his/her duties as a Trustee or Executive Staff of SJCERA will be enhanced in a significant manner (including speaking engagements where the participant can enhance his/her capacity through attendance at the event);
  - 2. The cost-effectiveness of the opportunity; and
  - 3. The timeliness and relevance of the opportunity.
- C. In-State Travel is defined as travel within California or to the Tahoe basin/Reno area.
- D. Out-of-State Travel is defined as travel outside of California but within the fifty United States.
- E. International Travel is defined as travel outside of the fifty United States.
  - 1. In consideration of SJCERA’s asset allocation to non-U.S. investments, the Board may authorize one or more Trustees or Executive Staff to travel outside the United States. Any request for international travel will be presented as an action item on a Board meeting agenda. Approval for international travel will require a vote by the Board.
- F. All requests for travel listed on the “Summary of Pending Trustee and Executive Staff Travel” that are pending approval by the Board may be approved by consent at a Board meeting. A Board member may request that an item on the travel list be removed for separate consideration and action from the rest of the travel requests pending approval. All travel requests pending Board approval, whether on the “consent” travel list or considered as a separate item, must be approved by a vote of the Board.
- G. All approved requests for travel require the completion of a SJCERA Travel Request Form prior to the commencement of travel and is required for reimbursement of travel expenses.
- H. The CEO or designee is authorized to sign SJCERA Travel Request Forms.

### III. Reimbursement of Travel Expenses

- A. SJCERA shall only pay or reimburse valid travel and related expenses incurred directly by SJCERA Trustees and Executive Staff. All other expenses shall be the responsibility of the respective Trustee or Executive Staff member.
- B. Travel and related expenses that may be paid on behalf of or reimbursed to Trustees and Executive Staff include, but are not limited to, the following:
  - 1. Coach Class Airfare:
    - a. Actual costs for air travel as evidenced by airline itinerary and receipt. Travelers are expected to take advantage of the lowest airfare.
  - 2. Ground Transportation:
    - a. Actual reasonable fares for taxis/ride share services, shuttles, trains, buses, subways, etc., and customary gratuities, if any, up to 20 percent, as evidenced by receipts.
      - i. Unreasonable fares are those that exceed by more than 10 percent the typical cost for transportation to that location.
      - ii. Fares that are determined to be unreasonable will be reimbursed up to a maximum of 10 percent above the typical cost for transportation to that location.
    - b. Rental cars - Actual reasonable costs as evidenced by receipt. When renting cars for official SJCERA business, travelers are expected to take advantage of discounted and/or special government rates if available. Travelers are expected to purchase available optional liability and collision, or similar insurance offered by the rental agency. The cost of such insurance will be reimbursed by SJCERA.
    - c. Personal automobile - Mileage shall be reimbursed for in-state travel at the standard adopted by the Internal Revenue Service at the time the expenses were incurred. Mileage reimbursements for Appointed Trustees and Trustees elected by Retired Members will be to and from the Trustee's home address. Mileage reimbursements for Executive Staff and Trustees elected by Active Members will be to and from SJCERA regardless of where they actually departed from when embarking on the trip.
  - 3. Lodging (single occupancy):
    - a. The actual reasonable cost for lodging expense will be paid or reimbursed.
    - b. Travelers are expected to take advantage of group discounts or special government rates for lodging when available.
    - c. When a traveler is attending an event held at a specific hotel, generally the traveler will stay at the event hotel.
      - i. However, some conferences are held at high cost luxury hotels. In these situations, if alternate, lower cost, conveniently located lodging is available, travelers are expected to take advantage of such lower cost lodging alternatives.

4. Meal expenses:
    - a. For each day of travel actual and reasonable meal expenses, including gratuities up to 20 percent, will be paid or reimbursed when traveling on official SJCERA business not to exceed a maximum of \$70 per person. Receipts will be required to document meal expenses under this provision.
    - b. Any request for reimbursement of actual and reasonable expenses in excess of \$70 per person per day of travel may be authorized by the CEO. No allowance will be paid or reimbursed for meals that are included as part of an organization's scheduled program.
    - c. Expenses for alcoholic beverages will not be paid or reimbursed by SJCERA.
  5. Telephone calls and business services (photocopies, faxes, computer services etc.). Actual reasonable expenses incurred as evidenced by receipts.
  6. The limitations on reimbursement specified herein shall not apply when Trustees and/or Executive Staff attend annual investor meetings sponsored by an investment manager or general partner under contract with SJCERA or any other instance or event for which SJCERA receives and pays an invoice from the meeting or event sponsor(s) for lodging, meals or other allowable expenses for SJCERA attendee(s).
- C. Requests for reimbursement must be accompanied by actual receipts and submitted to the CEO for approval and reimbursement within ninety days (90) from the time the expenses were incurred.
1. If actual receipts are not readily available, the requestor may submit a substitute receipt or form, certifying by signature that the receipt was not available to submit.
- D. The CEO shall approve all requests for reimbursement of Trustees and Executive Staff travel expenses, excluding the CEO's. The Board Chair shall approve the CEO's requests for reimbursement of expenses.
- E. Claims for reimbursement of travel expenses shall be submitted to the Auditor-Controller.
- F. Reimbursements submitted more than ninety days after the end of the calendar year in which the expense was incurred may be denied.

## **V. Travel Reports**

- A. A "Summary of Completed Trustee and Executive Staff Travel" report will be provided to the Board no less than on a quarterly basis. This report shall identify the event, the individual Trustee or Executive Staff who attended, the location, and cost of travel. This report will be cumulative for a calendar year. The calendar year-end report shall include each Trustee's total annual travel expenditures, as defined in section II.D. of this policy.
- B. Trustees or Executive Staff members, who attend a seminar, on-site visitation or conference, except as specified in II C, should prepare a written report on the content and the continuing value for future attendance by other Board or staff members. These reports will be provided to the Board in a meeting agenda.

## VI. Political Reform Act Requirements

- A. Trustees and Executive staff have the responsibility to ascertain and comply with their obligations under the Political Reform Act.

## VII. Law Prevails

- A. In the event a conflict between this policy and the County Employees Retirement Law, the Public Employees' Pension Reform Act, or other applicable state or federal law arises, the law shall prevail.


## VIII. Policy Review

- A. Staff shall review this Policy at least once every three years to ensure that it remains relevant, appropriate, and in compliance with section 81000 of the California Government Code. Any revisions or amendments to this policy must be approved by the Board of Retirement in accordance with the bylaws.

## IX. History

07/11/2008	Board Adopted
11/07/2008	Board Revised
12/17/2010	Board Revised
03/22/2013	Board Revised to include invoiced-event exemption to reimbursement limitations
06/29/2018	Staff reviewed, no content changes required; updated format
04/12/2019	Policy Review section amended to at least once every three years
07/12/2019	Added customary gratuities for ground travel and made various technical, non-substantive corrections
07/08/2022	Added annual travel spending cap, deleted due diligence, increased daily meal allowance, added law prevails section
01/20/2023	Clarified mileage reimbursement for retired Trustees, defined reasonable fares for ground transportation, added annual expenditure reporting requirement, added spending cap exceptions approval process
12/08/2023	Increased the travel spending cap to \$4,500, updated titles of Executive Staff and corrected punctuation.

### Certification of Board Adoption:

  
Clerk of the Board

12/08/2023

Date