

BOARD OF RETIREMENT

POLICY FOR THE PROCUREMENT AND CONTRACTING FOR CERTAIN GOODS AND SERVICES

I. POLICY OF THE BOARD OF RETIREMENT

The management of the retirement system is vested with the Board of Retirement (“Board”) pursuant to Government Code Section 31520. Consistent with the Board’s fiduciary duty to conserve retirement fund assets, protect the integrity of the fund for the benefit of the members and beneficiaries, and minimize the costs of administering the system, it is the policy of the Board that the procurement of goods and services be made in the best interest of SamCERA and be undertaken in an efficient, diligent, transparent, economical, and fair manner.

II. RETENTION OF BOARD AUTHORITY/DELEGATION OF AUTHORITY TO THE CHIEF EXECUTIVE OFFICER

- A. **Retained Authority.** The Board retains the authority to execute agreements for any service provider providing an advisory or consulting service to the Board including but not limited to actuarial, auditing, custodial, investment and investment consulting, and legal services. The Board further retains the authority to execute all leases. In retaining its contracting authority, the Board may direct the Chief Executive Officer (CEO) to undertake a competitive selection process, recommend providers to the Board, negotiate agreements with service providers, and otherwise facilitate the procurement process.
- B. **Delegated Authority.** The Chief Executive Officer (hereinafter CEO) or the CEO’s designee may bind SamCERA for the purchase of goods or services or terminate such relationships based upon the provisions of this policy. In the event of a state of emergency, the Board has authorized the CEO to act on behalf of SamCERA as set forth in Board Resolution No. 23-10 (“Authorization for the Chief Executive Officer to Take Action in the Best Interests of the Retirement Fund during a Declaration of Emergency”). The Board has also authorized the CEO to negotiate and execute investment documents and alternative investment purchases of \$35 million or less as set forth in Board Resolution No. 23-11 (“Authorization for the Chief Executive Officer to Execute Documentation for Investments as Required”) and the Board’s Investment Policy. Additionally, the Board, in its discretion, may expressly authorize the CEO or the CEO’s designee to act on SamCERA’s behalf from time to time in situations not described in this policy.

III. CONTRACTS FOR SERVICES

- A. **Service Contracts in the Amount of \$200,000 or Less.** The CEO has the authority to undertake a selection process and to negotiate and execute contracts for the provision of services for which the Board has not retained authority as set forth in Section II.A., so long as the contract's aggregate maximum payment amount is \$200,000 or less. If the agreement is amended and the amended total ultimately exceeds \$200,000, the CEO must obtain Board approval to execute the amendment.
- B. **Service Contracts in an Amount Exceeding \$200,000.** All contracts for services, regardless of the type of service, which are for amounts exceeding \$200,000, must be approved by the Board unless the Board has previously delegated its contracting authority to the CEO for the services at issue.

IV. PURCHASE ORDERS/CONTRACTS FOR GOODS & SUPPLIES

The CEO has authority to purchase goods, supplies, equipment, and other items needed by SamCERA. If it is in the best interest of SamCERA, and if authorized by the County, the CEO may utilize the County's Procurement Division and processes.

V. BUDGET APPROVAL

All expenditures for contracts entered into by the CEO pursuant to the authority delegated by this policy must be included in the applicable budget or budgets. All budgets must be approved by the Board.

VI. PROCEDURES FOR PROCURING GOODS AND SERVICES

The selection of goods and services shall be efficient, diligent, transparent, economical, fair manner and made in the best interest of SamCERA. The CEO will develop a procurement handbook setting forth guidelines for staff in procuring such goods and services. As a general matter, staff shall use selection procedures that will enable the consideration of a broad range of potential suppliers of good and services in the selection process, which will meet budgetary, staffing, time, and other relevant constraints. Competitive selection procedures need not be used, however, if there is only a "sole source provider" and no other qualified provider.

Amended January 23, 2024