



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 18

MEETING DATE: January 21, 2026

SUBJECT: Procurement and Contracting Policy

SUBMITTED FOR: X Action Information

RECOMMENDATION

Approve new Procurement and Contracting Policy.

PURPOSE/STRATEGIC PRIORITY

This item supports the Strategic Management Plan objective to sustain Board governance effectiveness.

DISCUSSION

This proposed policy was presented in draft form at the December 2025 Board meeting. In light of that discussion, minor revisions have been made to address comments raised by the Board. The proposed policy provides a framework for SCERS' procurement of goods and services. It is intended to clarify existing practices by way of a formal written policy, aiming to ensure that SCERS preserves flexibility in the procurement process while also providing for appropriate oversight, transparency, accountability, and operational efficiency.

ATTACHMENTS

- Board Order
- Redlined version of proposed policy presented at December 2025 Board meeting
- Clean version of proposed policy

Prepared by:

/S/

Jason R. Morrish
General Counsel

Reviewed by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

**Before the Board of Retirement
January 21, 2026**

AGENDA ITEM:

Procurement and Contracting Policy

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to approve new Procurement and Contracting Policy.

I HEREBY CERTIFY that the above order was passed and adopted on January 21, 2026 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Chris Giboney
Board President

Eric Stern
Chief Executive Officer and
Board Secretary



PROCUREMENT AND CONTRACTING POLICY

PURPOSE

The purpose of this policy is to establish standards and procedures for the Sacramento County Employees' Retirement System ("SCERS") to procure goods and services necessary for the efficient and effective management of SCERS.

GUIDELINES

The Board has plenary authority and fiduciary responsibility for the administration of SCERS outside the scope of contracting requirements for the County of Sacramento. This Policy is intended to achieve optimal value for SCERS in the procurement and contracting process, considering quality, cost, timeliness and operational efficiency, while ensuring transparency, accountability, sound fiscal management, and adherence to SCERS' fiduciary duties.

PROCEDURES

The following procedures are intended to provide flexibility to the Board and Staff to best achieve the goals of the procurement while also providing appropriate guidelines and oversight during the process.

1. This Policy complements, and does not supersede, the CEO Delegated Authority Policy for Expenses.
2. Where the value of goods and/or services exceeds the thresholds established by the CEO Delegated Authority Policy for Expenses, Board approval is required and, where practicable, a Formal Procurement Process shall be used unless an exception applies.
 - a. The Chief Executive Officer (CEO) and Staff will consider appropriate selection criteria for professional service providers, endeavor to stay apprised of current market factors affecting the relevant professional services, and undertake a Formal Procurement Process therefor no less than every 10 years, unless the rationale to do otherwise is presented to the Board. Professional service providers include consulting actuaries, independent financial auditors, custodian banks, general and specialty investment consultants, and legal counsel.
 - b. Agreements under this section shall be no longer than 5 years, unless the Board finds that the specific circumstances of the agreement, the nature of the services or the market therefor, or other compelling factors require a longer term.
3. A Formal Procurement Process shall not be required in the following instances:
 - a. Sole source procurements where only one provider is capable of providing the required goods or services. Documentation supporting the "sole source"

determination shall be presented to the Board at the time the agreement is under consideration.

- b. Investment management agreements and other Investment Program agreements addressed in SCERS' Master Investment Policy Statement.
 - c. Vendors recommended by the management of the building and/or property where SCERS administrative offices are located (for compliance with lease obligations regarding alterations and improvements).
 - d. Situations where the CEO concludes, and the Board concurs, that a Formal Procurement Process would be unavailing or would not produce an advantage, or where advertising for competitive bids or proposals would be undesirable, impractical, or impossible.
 - e. Emergency procurements necessary to maintain SCERS' operations or protect system assets in response to a force majeure event or government-declared state of emergency.
 - i. Any agreement entered pursuant to this exception shall be promptly reported to the Board President with justification therefor, and then to the Board at a regularly scheduled Board meeting occurring within 60 days of execution of the agreement.
4. Where goods or services would naturally and normally be procured in a single agreement or process, such agreement or process shall not be split into multiple agreements or processes, or divided across multiple fiscal years, in order to evade the requirements of this Policy.
5. Where an agreement requires Board approval, a written final contract need not be presented to the Board prior to that approval unless the Board requires it or CEO deems it appropriate under the circumstances of the procurement.
- a. Notwithstanding the foregoing, the final agreement shall be consistent with the terms of the Board's approval.
6. As used in this Policy, "Formal Procurement Process" shall mean a request for proposals, invitation for bids, request for information, or other formal process whereby service vendors are required to submit detailed proposals in response to a published request from SCERS. The selection of a particular type of Formal Procurement Process shall be at the discretion of the CEO. The initiation of a Formal Procurement Process shall not require Board approval, unless the Board expressly requires it.
7. All agreements entered pursuant to this Policy shall be presented to SCERS' General Counsel (GC) for review and approval as to form and legality prior to execution by the CEO.

RESPONSIBILITIES

Responsibility for the coordination and management of these procedures shall rest with the

CEO, in consultation with the GC and affected Staff.

AUTHORITY

California Constitution, Article XVI, Section 17

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

Graydon v. Pasadena Redevelopment Agency (1980) 104 Cal.App.3d 631, 164 Cal.Rptr. 56

Sacramento County Charter Section 71-J (Contracts Manual, Chapter 5, Section 5.01(2))_

(SCERS excluded from County contracting requirements)

Executive Owner: Chief Executive Officer

POLICY HISTORY

| Date | | Description |
|-------------------|--|------------------------------|
| <u>01-21-2026</u> | | <u>Board approved policy</u> |



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