



STAFF REPORT

DATE: December 13, 2021
TO: Sacramento Regional Transit Board of Directors
FROM: Olga Sanchez-Ochoa, General Counsel
SUBJ: AMENDING AND RESTATING TITLE XIII OF THE SACRT ADMINISTRATIVE CODE

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

If adopted by the Board, the amount authorized to spend on meals and refreshments provided by SacRT to SacRT employees, Board Directors, and SacRT Personal Service contractors will be increased to amounts consistent with the allowable federal per diem rate.

FISCAL IMPACT

None as a result of this action. However, if adopted, SacRT will be authorized to spend an increased amount on meals and refreshments provided to staff, Board Directors, and SacRT Personal Service contractors for authorized occasions as specified in Title XIII.

DISCUSSION

Title XIII specifies the amount SacRT is authorized to spend on meals and refreshments provided to employees for specified purposes while employees, Board Directors, and other enumerated individuals are engaged in SacRT work activities or work-related activities. Title XIII and its expenditure limitations have been unchanged since early 1998, though the costs of meals and refreshments have increased greatly in that time. By way of example, currently, Title XIII authorizes the expenditure of \$8.00 per person for lunch. However, staff recently solicited quotes to provide frontline workers with an appreciation lunch during the holiday season. The average price quoted by the solicited vendors was \$15.00 per person, before tax and gratuity, which is nearly double the authorized limit. The recommended changes to Title XIII would move the expenditure limitations for a standard full day of meals and refreshments to dollar amounts that would closely approximate the current fixed rate of the federal "Meals & Incidentals Per Diem" set by the General Services Administration of \$69.00 per day.

Specifically, the amended and restated Title XIII would increase the expenditure limitations imposed on SacRT when providing meals and refreshments for SacRT

employees and Board Directors, and would increase the scope of the policy to cover meals and refreshments provided to contracted employees of partner agencies who work in SacRT's Police Services department. The proposed language would also permit the VP of Finance/CFO to set future expenditure limitations when the specified Consumer Price Index increases. Additionally, the proposed language would restate and clarify SacRT's policy against purchasing alcohol and clarify the definition of a "recognition event" meal.

Changes to the expenditure limitations set out in Title XIII would shift the maximum permitted expenditures on meals and refreshments from \$4.00, \$8.00, \$8.00, \$12.00, and \$35.00 to \$11.00, \$15.00, \$20.00, \$25.00 and \$50.00, respectively for light refreshments, breakfast, lunch, dinner, and recognition events.

Additionally, current policy required Board approval to make any changes to the expenditure limitations under Title XIII. The proposed language would allow flexibility to maintain prudent expenditure limitations without Board intervention. Staff recommends that the Board approve the Amended and Restated Title XIII.

RESOLUTION NO. 21-12-0137

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 13, 2021

AMENDING AND RESTATING TITLE XIII OF THE SACRT ADMINISTRATIVE CODE

WHEREAS, on occasion, SacRT employees and officials are required to work through normal mealtime hours to attend staff meetings, participate in training or workshops, and/or to respond to emergencies; and

WHEREAS, SacRT may desire to provide meals and/or refreshments to SacRT employees who are required to work through normal mealtime hours while working overtime or working outside normal business hours; and

WHEREAS, SacRT contracts with partner agencies to provide employees to work within the Police Services department of SacRT on a daily basis, who may also require meals and/or refreshments for the same reasons articulated hereinabove; and

WHEREAS, SacRT may desire to provide meals and/or refreshments to Board Directors, employees, and other persons who attend SacRT meetings and other special events including SacRT recognition events; and

WHEREAS, in 1998, SacRT Resolution No. 98-01-3000 adopted Title XIII of the Administrative Code of SacRT to provide meals and refreshments for SacRT employees and directors; and

WHEREAS, the cost of meals and refreshments has increased considerably and may continue to increase over time, warranting modification to the expenditure limitations set forth in Title XIII.

THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, Title XIII is hereby amended and restated in its entirety as follows:

**TITLE XIII - PROVIDING MEALS AND REFRESHMENTS FOR
SACRT EMPLOYEES AND DIRECTORS**

CHAPTER 1

INTRODUCTION

§13.111 **Purpose**

This Title sets out the circumstances under which meals and/or refreshments may be provided to SacRT employees and Board directors. By adopting this Title, SacRT intends to provide such benefits on an infrequent basis and/or for SacRT's convenience so that the benefit qualifies as a de minimis fringe benefit excludable from an employee's or Board director's gross income. (26 USCS §132(e)(1) & IRC §119).

§13.112 Scope

This Title is applicable to all Board directors, officers, and employees of SacRT, as well as employees of other government agencies who serve the interests of SacRT Police Services in a daily capacity. This Title applies to the allowable costs for meals provided by SacRT to employees and other eligible individuals. –Reimbursement for the cost of meals incurred while traveling is covered under Title VIII of SacRT's Administrative Code. -

§13.113 Management Prerogative

It is the prerogative of SacRT management to provide meals and/or refreshments to SacRT employees and Board directors in accordance with this Title.

CHAPTER 2

AUTHORITY TO PROVIDE MEALS AND REFRESHMENTS

§13.211 Providing Meals or Refreshments

A. The General Manager may authorize the provision of meals or refreshments to:

1. Board Directors and employees who attend a SacRT Board meeting that is held during a normal meal hour.
2. Board Directors, employees, and their families for SacRT events intended to promote esprit de corps or SacRT recognition events when the General Manager determines that such event would benefit SacRT and the expense would be justified.
3. Public officials, public employees, and consultants attending a SacRT meeting or event.
4. At the conclusion of a significant SacRT project, as recognition for a job well done by SacRT staff.

B. A Division Head or a Manager may authorize the provision of meals or refreshments for employees they supervise as follows:

1. When such employees are required to attend a SacRT staff meeting during a normal meal hour.
2. When such employees are required to attend a staff meeting with a duration of six (6) or more hours.
3. When such employees are required to work through a normal meal hour on overtime (or outside of normal work hours for those employees who are exempt from overtime).

4. When such employees are required to attend training classes, workshops, or seminars; however, only light refreshments may be provided unless a meal is permitted as provided above. In addition to the employee's supervisor, the Division Head, or Manager responsible for providing or arranging for employee training at SacRT facilities may authorize the provision of light refreshments or meals for employees who attend such training.

5. When such employees serve on a volunteer committee for events requiring a long lead time to plan and/or organize, including without limitation the employee awards banquet committee, as recognition for a job well done.

CHAPTER 3

LIMITATIONS AND PROCEDURES

§13.311 Expenditure Limitations

Expenditures for meals or refreshments permitted under Chapter 2 must not exceed the following average cost per person, including tax, beverage, and gratuity, if applicable:

A. Light refreshments	\$11.00
B. Breakfast	\$15.00
C. Lunch	\$20.00
D. Dinner	\$25.00
E. Meal at a SacRT Recognition Event	\$50.00

The average cost per person will be based upon the estimated number of attendees for an event. Management must use its best judgment in making such an estimate. Expenditures for alcoholic beverages are not authorized by this Title.

§13.312 Escalation of Expenditure Limitations

Expenditure limitations set under Section 13.311 will be amended by the VP, Finance/Chief Financial Officer, pursuant to an increase in the Consumer Price Index for All Urban Consumer for the San Francisco-Oakland-San Jose California Area, annually with the June index, for meals away from home.

§13.313 Prior Approval

A. If the average cost per person for a meal or refreshment will exceed the amount set out in Section 13.311, the expenditure must be pre-approved by the SacRT Board.

B. If the total cost for meals and/or refreshments for any single event described in Chapter 2 will exceed Two Hundred Dollars (\$200.00), the expenditure must be pre-approved by the General Manager.

C. If the total cost for meals and/or refreshments for any single event described in Chapter 2 will exceed the General Manager's expenditure authority, the expenditure must be pre-approved by the SacRT Board.
D.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary