

ORDINANCE NO. 10635 (N.S.)

AN ORDINANCE AMENDING THE SAN DIEGO COUNTY CODE OF ADMINISTRATIVE ORDINANCES ARTICLES III, V, VII, VIII, AND XXVIA

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1. Section 77 of the San Diego County Administrative Code is amended to read as follows

**SEC. 77. TUITION REFUND.**

With the approval of the Board by budget provision and under the procedure and subject to the conditions specified by resolution of the Board any interim, probationary or permanent officer or employee of the County may be reimbursed for tuition for professional and technical courses provided that enrollment by the officer or employee in such courses has received the prior approval of the department head.

**SEC. 77.1. REPAYMENT OF SPECIALIZED TRAINING EXPENSES.**

(a) The County may recover specialized training expenses from an employee who terminates employment within one year of completion date of such training consistent with the following schedule of reimbursement:

<u>Completion Date</u>	<u>Reimbursement</u>
Within 3 months	100%
After 3 months - before 6 months	50%
After 6 months - before 12 months	25%
After 1 year	0%

(b) In cases where specialized training is to be made available, the Appointing Authority shall include in the request for training authorization a signed agreement between the County and the employee which provides that training costs in excess of \$1,000 (\$1,500 for employees in classes designated CC, CS, DA, PD and PM) for any single training session or related series of training sessions will be reimbursed to the County if the employee terminates prior to one year for any reason other than death, disability retirement or judicial appointment.

(c) Training costs shall be calculated to include:

1. Travel expenses
2. Meals and lodging expenses
3. Registration or tuition expenses
4. Books and other related materials expenses

(d) At the request of the Appointing Authority, the Auditor & Controller may consider a reduction of, or a complete release from, the employee's obligation if extreme hardship can be demonstrated in writing.

(e) Specialized training is determined by the Appointing Authority, and generally does not include conferences or training that is required for performing the basic functions and duties of employee's classification.

(f) Further, this provision shall not apply to training with no net cost to the County by virtue of being covered by an offsetting grant or other reimbursement.

(g) Eligibility: All employees except those in classes designated DI, DM, DS, PD, PM and SM.

**SEC. 77.2. OFF DUTY RECREATIONAL, SOCIAL OR ATHLETIC ACTIVITY AS WORK RELATED DUTY PROHIBITED.**

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(a) No off-duty recreational, social or athletic activity of any employee or officer, including any elected officer, shall constitute any part of his or her work-related duties, unless such activity is specifically authorized as herein provided or is required by the employment or office.

(b) No employee or officer, including any elected officer, shall engage in any such off-duty activity as part of his or her work-related duties, unless such activity has been previously authorized as herein provided or such activity is required by the employment or office.

(c) No officer, including any elected officer, or employee exercising any supervision over other employees, shall authorize, approve, condone or encourage participation in any such off-duty activity, unless such activity has been previously authorized as herein provided.

(d) The Chief Administrative Officer may authorize any such off-duty activity as an activity sanctioned by the County, as herein provided.

(e) The Chief Administrative Officer shall direct the Risk Manager, Department of Human Resources, to review the liability exposure of any off-duty activity submitted for approval as an authorized activity sanctioned by the County. The Risk Manager, Department of Human Resources, shall submit in each case to the Chief Administrative Officer a recommendation with respect to the liability exposure created by such activity. The Chief Administrative Officer shall then issue his or her decision thereon in writing to the officer, including any elected officer, appointing authority or department head, whose office or department is affected by the proposed activity.

(f) The County shall institute the necessary proceedings to assure compliance with the provisions of this section, including disciplinary action and recovery of all expenditures proximately caused by any violation, against any officer, including any elected officer, or employee violating any provision of this section.

Section 2. Sections 90 through 92 of the San Diego County Administrative Code is amended to read as follows

**SEC. 90. RECOGNITION OF DEPARTMENT.**

There is in the County a Department of Auditor and Controller, hereafter in this Article referred to as the Department, under the supervision of the Auditor & Controller.

**SEC. 90.1. RECOGNITION OF AUDITOR & CONTROLLER.**

There is in the County a position of Auditor & Controller. Such position shall be in the Unclassified Services of the County and shall be filled by appointment of the Chief Administrative Officer in accordance with the County Charter, Civil Service Rules and County Ordinance.

**SEC. 90.2. DUTIES OF THE AUDITOR & CONTROLLER.**

The Auditor & Controller shall act under the supervision of the Deputy Chief Administrative Officer/Chief Financial Officer and shall exercise general supervision of all functions of the Department and shall enforce such rules and regulations as are prescribed and approved by the Board of Supervisors.

**SEC. 90.3. AUDITOR & CONTROLLER TO APPOINT PERSONNEL.**

The Auditor & Controller shall appoint and employ such personnel as may be necessary to conduct the business of the Department. All appointments and employments made by the Auditor & Controller shall be in accordance with the provisions of the County Charter, Civil Service Rules and County ordinances.

**SEC. 90.4. AUDITOR & CONTROLLER TO PREPARE BUDGET AND SUPERVISE EXPENDITURES.**

The Auditor & Controller shall prepare and submit to the Chief Administrative Officer the required annual itemized estimates of the expenditures and revenues for the Department. The Auditor & Controller shall supervise the expenditure of all funds allocated to the Department.

**SEC. 91. AUDITING FUNCTIONS OF THE DEPARTMENT.**

The Auditor & Controller is the chief accounting officer of the County and shall perform all accounting and auditing duties assigned by the County Charter and general law.

**SEC. 91.1. PREPARATION AND FILING OF ANNUAL INVENTORY.**

Each officer or person required by Section 24051 of the Government Code to file an inventory shall file such inventory annually or at such interval as prescribed by the Auditor & Controller, but in no case in excess of three years. The inventory shall be filed with the Auditor & Controller. Three separate inventories shall be prepared in three sections: the Materials and Supplies Inventory, Minor Equipment Inventory and Capital Assets Inventory. The Materials and Supplies Inventory shall show all such county property for inventories exceeding an established threshold, determined by the Auditor & Controller, in the person's possession or charge at the close of business on May 31 for off-line inventories and June 30 for on-line inventories. The Materials and Supplies Inventory shall be filed annually on June 30, for fiscal year ending on that date. The Minor Equipment Inventory and Capital Assets Inventory shall show all such county property in the person's possession or charge at the close of business date established by the Auditor & Controller and shall be filed biennially.

**SEC. 91.2. ACCOUNTABILITY, ACCEPTANCE AND RECEIPTING OF INVENTORIES.**

Each officer or person enumerated in Section 24051 of the Government Code shall immediately upon assuming his or her position, either in an acting or permanent capacity, accept accountability for the inventory on hand, and shall receipt for and accept such inventory on a form prepared by and to be filed with the Auditor & Controller. If such officer or person succeeds his or her self, the preparation, receipting for and acceptance of the inventory on hand may be postponed until the time for the next regular annual inventory or inventories.

**SEC. 91.3. NON-PAYMENT FOR FAILURE TO FILE INVENTORY OR FINANCIAL REPORTS.**

The Auditor & Controller shall not draw a warrant for the final salary of any officer or person leaving County service who is required by Section 24051 of the Government Code to deliver an inventory, or under authority of Section 34 of the County Charter to file financial reports, until the officer or person has delivered or filed such inventory or financial reports in the prescribed time and manner pursuant to regulations governing their delivery or filing. These regulations shall be in writing and shall be made a part of the County's Administrative Manual.

The Auditor & Controller shall establish procedures to ensure that such officers or persons receive timely notification of the necessity to file said inventories or financial reports and of the penalty provisions of this section. If any officer or person, subject to the provisions of this section, terminates County employment without having delivered or filed required inventory or financial reports, the Auditor & Controller shall immediately notify the officer or person and the Chief Administrative Officer of such fact. Any officer or person to whom notice of failure to deliver or file an inventory or financial report is sent may appeal the Auditor & Controller's determination to the Chief Administrative Officer within 10 days. The Chief Administrative Officer or designee shall investigate the matter and either require the salary to be paid or uphold the Auditor & Controller's determination not to pay the salary until said inventory or financial report is delivered or filed.

**SEC. 91.4. COPY OF SPECIAL DISTRICT AUDITS PROVIDED TO GRAND JURY.**

The Auditor & Controller shall make a copy of any audit report of a special district prepared by an independent public accountant and shall transmit said copy, along with a statement indicating the extent of compliance with Government Code section 26909, to the Grand Jury.

**SEC. 91.5. AUDITOR AND CONTROLLER RECORDS AND REPORTS.**

(a) The Auditor & Controller shall be responsible for keeping accounts showing the financial

transactions of all County departments, offices and other subdivisions of the County. Such accounts and accounting procedure shall be in conformance with generally accepted accounting principles and requirements prescribed by the State Controller and shall be adequate to record:

(1) All budgeted revenue and appropriations, together with additions or transfers thereto and expenditures or transfers therefrom;

(2) All amounts or unexpended appropriations which have been legally encumbered, and the unencumbered, unexpended balances of such appropriations;

(3) All revenues accrued and liabilities incurred;

(4) All cash receipts and disbursements;

(5) All transactions affecting the custody or disposition of County assets.

(b) The Auditor & Controller shall prepare statements showing such information with respect to 1) the financial condition of each fund, and 2) General Fund cash flow projections.

(c) The statement reporting the financial condition of each fund shall include the following totals for the current fiscal year to date through the end of that reporting period: assets, liabilities, fund balance, cash, appropriations, expenditures, encumbrances, remaining appropriations, and revenue. A copy of each statement shall be filed by the Auditor & Controller with the Board, and with such other officials or persons as the Board may designate, not later than the twentieth day following the end of the reporting period. Reporting periods will be prescribed by the Auditor & Controller but shall not be longer than one month.

(d) The County shall make available a General Fund annual cash flow projection and quarterly status of actual/projected General Fund cash flows.

(e) The Auditor & Controller shall devise adequate monitoring of all departments and offices of the County relative to the custody, collection or disbursement of public funds.

#### **SEC. 91.6. [RESERVED.]**

#### **SEC. 91.7. DEPOSITS.**

(a) Each officer of the County or of a judicial district in the County authorized to collect money shall deposit daily into the County treasury all money collected by or under control of that officer that is payable into the County treasury. Each item deposited shall be properly classified as to funds and accounts affected. Deposits into the County treasury may be made through one or more bank accounts in accordance with rules prescribed by the Auditor & Controller.

(b) The daily deposit required in (a) above may be waived in writing by the Auditor & Controller upon application of a County officer, if either of the following conditions exist:

(1) The aggregate of moneys collected is less than \$250, or

(2) The headquarters of the officer or employee making collections is so located as to make daily deposit infeasible.

Officers or employees exempted from the daily deposit requirements will deposit accumulated collections on the last working day of each week.

#### **SEC. 91.8. ESTABLISHMENT, INCREASE, REDUCTION OR DISCONTINUANCE OF REVOLVING FUNDS.**

The Auditor & Controller shall perform the function of the Board of Supervisors to establish, increase, reduce or discontinue any of the revolving funds of County officers provided for in Title 3, Division 3, Chapter 2, Article 2 of the Government Code commencing with Section 29320. In doing so, the Auditor & Controller shall be subject to the same requirements and limitations otherwise prescribed for the Board of Supervisors; shall, in lieu of acting by resolution, act by signed statement having the same content otherwise prescribed for resolution of the Board of Supervisors; and shall render a written report to the Board of Supervisors at the end of each fiscal year identifying the revolving funds in existence during the fiscal year, the amount of such funds, and the officer using the fund.

**SEC. 92. REVENUE AND RECOVERY FUNCTIONS OF THE DEPARTMENT.**

The Department will provide professional collections and revenue recovery services which will serve all levels of County Government to maximize the recovery of moneys due and owing. The Auditor & Controller shall review and make recommendations upon all budget requests for collection of accounts receivable which may be assigned to the Department. In carrying out these functions, the Department shall perform such functions as may be assigned to it including but not limited to the following:

- (a) The billing and collections of moneys for health care services provided by the Health and Human Services Agency. This includes recovery on behalf of State and Federal subsidized programs.
- (b) The billing and collection of costs incurred prior to January 1, 2018 for the support and maintenance of minors placed by order of the Juvenile Court in any of the County Juvenile Probation Facilities or out of home placements.
- (c) The billing and collection of welfare eligibility frauds and overpayments.
- (d) The billing and collection of General Relief repayments. Further, the Auditor & Controller is authorized to defer billing, or compromise and settle a General Relief account when investigation reveals that such action is in the best interest of the County.
- (e) The processing, maintenance and recovery on Grants of Liens in favor of the County.
- (f) Act on behalf of the Chief Probation Officer to collect fines, restitution, costs of probation supervision, costs of pre-sentence investigation, and other associated fees and costs.
- (g) The screening of felony and misdemeanor defendants who receive court-appointed and County provided attorney services to determine their ability to pay and the billing and collection of County provided attorney services.
- (h) Enforce recovery of accounts receivable for all County departments when directed to do so by the Chief Administrative Officer (including requests by the Board) or by agreement between the Office of Revenue and Recovery and County departments.
- (i) The billing and collection of fines and fees on behalf of State or court agencies by signed agreement between the Office of Revenue and Recovery and the agency.
- (j) The collection of restitution orders, restitution fines and revocation restitution fines from offenders pursuant to Penal Codes 1202.45, 2085.5, 2085.6, and 2085.7.

Section 3. Section 94 of the San Diego County Administrative Code is amended to read as follows

**SEC. 94. FEES.**

The Auditor & Controller shall charge and collect the fees prescribed in this Article for services performed by him or her.

Section 4. Article VII of the San Diego Administrative Code is amended as follows

Article VII BUDGET AND FINANCIAL PROCEDURES AND APPROPRIATION, REVENUE AND STAFFING LIMITATIONS\*

**SEC. 110. ALL OFFICES TO FOLLOW BUDGET AND FINANCIAL PROCEDURES SET FORTH IN THIS ARTICLE.**

All officials, persons, officers, departments, services, institutions, districts, boards and commissions for whom or for which the Board is required to adopt an annual budget as provided for in Section 29000, et seq., of the Government Code shall be governed by the following sections of this Article which are general in their nature.

The Deputy Chief Administrative Officer/Chief Financial Officer shall perform all duties considered necessary by the Board of Supervisors, and the Chief Administrative Officer for the formulation of the County's annual budget and for the financial management of County operations.

**SEC. 110.1 FINANCIAL REPORTS**

The Deputy Chief Administrative Officer/Chief Financial Officer, through the Chief Administrative Officer, shall provide a quarterly budget status report to the Board of Supervisors that may also recommend changes to appropriations to address unanticipated needs or to make technical adjustments to the budget in accordance with the County Budget Act. The reports shall include projections of appropriation and revenue variances by fund and budget unit through the end of the current fiscal year. These reports shall be placed on the Board's agenda consideration and posted online as required by law.

**SEC. 111. DEPUTY CHIEF ADMINISTRATIVE OFFICER/CHIEF FINANCIAL OFFICER TO SUPPLY FORMS FOR ESTIMATES OF (1) SALARIES AND EMPLOYEE BENEFITS AND (2) SERVICES AND SUPPLIES AND OTHER OBJECTS OF EXPENDITURES.**

On or about the 10th day of February, the Deputy Chief Administrative Officer/Chief Financial Officer shall present to the officer who is the head of each office, department, institution and district and to each board and commission budget forms prepared by said Deputy Chief Administrative Officer/Chief Financial Officer on which such officer, board or commission shall prepare estimates of (1) Salaries and Employee Benefits expenditures and (2) Services and Supplies, Other Charges, Fixed Assets and Expenditure Transfers and Reimbursements for the next ensuing fiscal year.

**SEC. 112. [RESERVED.]**

**SEC. 113. ESTIMATES TO BE SUBMITTED TO DEPUTY CHIEF ADMINISTRATIVE OFFICER/CHIEF FINANCIAL OFFICER AND CHIEF ADMINISTRATIVE OFFICER.**

The officer who is the head of each office, department, institution and district and each board and commission shall file with the Deputy Chief Administrative Officer/Chief Financial Officer and the Chief Administrative Officer on the forms furnished by the Deputy Chief Administrative Officer/Chief Financial Officer, itemized estimates of proposed expenditures required by such office, department, institution, district, board or commission for the next ensuing fiscal year, together with an itemized estimate showing the anticipated revenue from sources other than property taxation, that will accrue to the office, department, institution, district, board or commission and such additional information thereon as may be required by the Deputy Chief Administrative Officer/Chief Financial Officer and the Chief Administrative Officer. The estimates of Salaries and Employee Benefits, Services and Supplies, Other Charges, Fixed Assets, estimated revenues, and Expenditure Transfers and Reimbursements shall be submitted as required herein not later than the 20th day of April of each year.

**SEC. 113.1. GENERAL FUND BALANCES AND RESERVES.**

The purpose of this code is to establish guidelines in accordance with industry best practices, specifically the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting, regarding the maintenance and use of General Fund Unrestricted Fund balance and the use of one-time revenues to help protect the fiscal health and stability of the County. Available Unrestricted General Fund balance shall be determined by excluding Unrestricted Fund balances that have been Committed or Assigned thereby focusing solely on Unassigned Fund balance.

A portion of Unassigned Fund balance shall be maintained as a reserve (General Fund Reserve) at a minimum of two months of audited General Fund expenses (which is the equivalent of 16.7% of audited General Fund expenses). The General Fund Reserve will protect the County against expenditure and revenue volatility, natural disasters and other unforeseen emergencies, economic downturns, unfunded pension liabilities, and aging infrastructure.

Appropriation of the General Fund Reserve minimum balance requires at least one of the following criteria to be met:

- A. An unanticipated revenue shortfall or expenditure increase where total expenditures exceeds total revenues.
- B. A legally declared emergency as defined in Government Code Section 29127.

C. To absorb unforeseen changes in pension liability, including changes in the assumed rate of return, market losses, to maintain or reduce the unfunded pension liability, or other related changes as recommended by the Chief Administrative Officer (CAO).

D. To help mitigate risk due to maintaining aging infrastructure including capital improvements, new construction, or other recommendations made by the CAO.

E. To the extent reserves are available, a recommendation made by the CAO to promote the long-term fiscal health and stability of the County.

Furthermore, all appropriation of the General Fund Reserve minimum balance and/or transfers from the General Fund Reserve appropriation, shall require a 4/5th vote of the Board of Supervisors.

To the extent that available Unassigned Fund balance is available in excess of General Fund Reserve minimum balance, the CAO may recommend the appropriation or commitment of the available balance for one-time uses. These recommendations may appear in the CAO Recommended Operational Plan or as an agenda item for a regularly scheduled meeting of the Board of Supervisors.

#### **SEC. 113.2. GENERAL FUND COMMITMENTS AND ASSIGNMENTS OF FUND BALANCE.**

From time to time, fund balance may be committed by the Board of Supervisors and/or assigned by the CAO for specific purposes. A commitment requires formal board action to establish, change or cancel while an assignment may be established, changed or cancelled by the CAO. Changing or cancelling a commitment or assignment of fund balance shall not be approved if such action would result in increased and/or unfunded costs or liabilities such as those required to fulfill existing contractual obligations or to identify alternative funding sources for the original Commitment or Assignment purpose or if such action would jeopardize the long term fiscal sustainability of the County. With the exception of fund balance commitments established because of restrictions on certain revenues, such commitments and/or assignments shall not be approved if they would result in the amount of the General Fund Reserve falling below the minimum required balance.

#### **SEC. 113.3. RESTORATION OF GENERAL FUND RESERVE MINIMUM BALANCE.**

In the event that the General Fund Reserve falls below the minimum required balance, the CAO shall present a plan to the Board of Supervisors for restoration of the targeted levels. The plan should restore balances to targeted levels within one (1) to three (3) years, depending on the use, reasons for use, and severity of the event. In the event that the General Fund Reserve is used to serve as a short-term financing bridge, the plan shall include mitigation of long-term structural budgetary imbalances by aligning ongoing expenditures to ongoing revenues.

#### **SEC. 113.4. FUND BALANCES AND USE OF ONE TIME REVENUES.**

All fund balances, including the General Fund Reserve, shall be recognized as a one-time funding source, and all appropriations supported by fund balances should be appropriated for one-time uses or in conjunction with a long-term financial plan to cover short-term expenditure increases or revenue shortfalls to prevent budgetary imbalances.

In general, fund balance is established when assets are greater than liabilities at the end of a year. In practice, fund balance can be generated when temporary one-time revenues exceed expenditures in any year. One-time resources may include grants, revenue from the sale of assets, one-time expenditure savings, and revenue sources which may be available for more than one year but are either non-recurring or will be required to address future expenditure growth that is anticipated to exceed future revenue growth. One-time expenditures may include the following: program startup costs, short-term expenditure increases or revenue shortfalls to prevent budgetary imbalances, early debt retirement, capital costs, or other one-time expenditures as recommended by the CAO.

#### **SEC. 113.5. MANAGEMENT PRACTICES.**

(a) The County shall reinvest general purpose revenues savings generated by maturing debt obligations and/or refinancings to accelerate repayment of outstanding debt obligations (including pension unfunded

actuarial accrued liability and/or economic defeasance of outstanding debt obligations) and/or to avoid the issuance of new debt obligations by cash financing capital projects.

(b) The County shall invest one-time over-realized general purpose revenue generated by greater-than-anticipated assessed value growth to accelerate payment of pension unfunded actuarial accrued liability.

(c) The Debt Advisory Committee, as established by the Chief Administrative Officer, shall provide direct oversight on long-term financings and the portfolio of the County's long-term obligations excluding un-securitized leases and/or loans for permanent road divisions as authorized by Board of Supervisors policy. The Debt Advisory Committee shall assess the ability of the County to repay the obligation, identify the funding source of repayment, evaluate the impact of the ongoing obligation on the current budget and future budgets, assess the maintenance and operational requirements of the project to be financed, and consider the impact on the County's credit rating.

(d) Long-Term Obligations shall not be used to finance current operations or for recurring needs.

(e) Annual principal and interest payments on Long-Term Obligations of the General Fund shall not exceed 5% of General Fund revenue.

**SEC. 114. DEPUTY CHIEF ADMINISTRATIVE OFFICER/CHIEF FINANCIAL OFFICER TO FILE BUDGET ESTIMATES WITH CHIEF ADMINISTRATIVE OFFICER.**

On or about the fourth week of May of each year the Deputy Chief Administrative Officer/Chief Financial Officer shall file with the Chief Administrative Officer who in turn shall file with the Board, a copy of the tabulation of the budget estimates of proposed expenditures and anticipated revenue for each office, department, institution, district, board and commission for the next ensuing fiscal year, as required by the provisions of Section 29062 of the Government Code.

**SEC. 115. CHIEF ADMINISTRATIVE OFFICER TO EXAMINE BUDGET ESTIMATES, HOLD HEARINGS AND SUBMIT RECOMMENDATIONS TO BOARD.**

The Chief Administrative Officer, upon receipt of budget estimates filed as provided in Section 113, shall, as required by Section 29061 of the Government Code, immediately proceed to examine the same and make such investigations and studies in regard thereto as he may deem necessary, and to hold hearings on said budget estimates and to examine such estimates, which said hearings and examinations shall be concluded by said Chief Administrative Officer and his recommendations with respect to said estimates submitted to the Board in May of each year.

**SEC. 116. BOARD TO EXAMINE BUDGET ESTIMATES AND APPROVE BUDGET RECOMMENDATIONS OF CHIEF ADMINISTRATIVE OFFICER.**

Upon submission to the Board of Supervisors of the Deputy Chief Administrative Officer/Chief Financial Officer's tabulation of budget estimates and the recommendations of the Chief Administrative Officer with respect thereto, said Board shall consider them and make such revisions, reductions or additions as it deems advisable. Unless the Board finds it impractical to do so, not later than the fourth week of June of each year, the Board shall approve by resolution the tabulation with the revisions, additions and changes in conformity with its judgement and conclusions as to a proper financial program for the next succeeding fiscal year in accordance with Section 29064 of the Government Code.

**SEC. 117. BOARD TO HOLD HEARINGS AND TO ADOPT BUDGET.**

Following submission to the Board of Supervisors of the recommendations of the Chief Administrative Officer and prior to adoption of the final County budget, said Board shall hold such hearings as may be necessary to permit any officer, board, commission or person whose estimates are recommended for increase or reduction by the Chief Administrative Officer to have a hearing thereon.

Unless the Board of Supervisors finds it impractical to do so, not later than the 20th day of June of each year it shall commence public hearings on the recommended County Budget pursuant to the provisions of Section 29080, et seq., of the Government Code. As soon as practicable after the conclusion of such public hearings, the Board shall cause to be made such revisions of, deductions from, or increases or



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additions to the proposed budget it deems advisable and, unless it finds it impractical to so do, not later than the last week of June the Board shall, by resolution, adopt the budget as finally determined, pursuant to the provisions of Section 29088, et seq., of the Government Code.

Section 5. Section 122 of the San Diego Administrative Code is amended as follows

**SEC. 122. CAO'S IMMEDIATE OFFICE.**

- (a) There shall be in the Office of the Chief Administrative Officer the following positions:
- (1) Asst. CAO, who shall be the principal assistant to the CAO;
  - (2) Director, Office of Ethics and Compliance;
  - (3) Director, Office of Strategy and Intergovernmental Affairs;
  - (4) CAO Chief of Staff; and
  - (5) CAO Project Manager.

These positions shall be in the Unclassified Service and shall be filled by appointment by the CAO in accordance with the County Charter, County ordinances, and of the rules and policies established thereunder.

(b) The Asst. CAO shall oversee, on behalf of the CAO, and participate in the development and implementation of policies and programs for groupings of County departments; advise the CAO on such policies and programs within such departmental groupings; direct major or complex special projects; evaluate the performance of department and program heads; serve as liaison between departmental groupings; provide direction and review of departmental budget; review departmental items of broad significance to go before the Board; represent the County and the CAO in meetings with community agencies, commissions, committees and other public groups; appoint authorized Office or Group personnel in accordance with the County Charter and of the rules and policies established thereunder, Civil Service Rules and County ordinances; and perform related functions assigned by the CAO.

(c) The CAO Chief of Staff and CAO Project Manager shall, under the administrative direction of the CAO, be responsible for providing administrative coordination, including planning and support, for highly complex special projects of a temporary nature in the Chief Administrative Office.

**SEC. 122.1. APPOINTMENT AND EMPLOYMENT OF PERSONNEL.**

The CAO shall appoint and employ such personnel as may be necessary to carry out the duties of the Office of Chief Administrative Officer. The authority of the CAO to appoint and employ personnel may be exercised by the Asst. CAO, Deputy Chief Administrative Officers, the Deputy Chief Administrative Officer/Chief Financial Officer, and the Deputy Chief Administrative Officer/Director of the Health and Human Services Agency with respect to the personnel allocated to each official or that official's Office or Group. All appointments and employments made pursuant to this section shall be in accordance with the provisions of the County Charter, Civil Service Rules, County ordinances and of the rules and policies established thereunder.

Section 6. Sections 470 through 474 of the San Diego County Administrative Code is Amended as follows

**SEC. 470. AUTHORITY TO CONDUCT OFFICIAL BUSINESS OUTSIDE THE GEOGRAPHIC BOUNDARIES OF SAN DIEGO COUNTY (OUT-OF-COUNTY BUSINESS) AND WITHIN SAN DIEGO COUNTY (IN-COUNTY BUSINESS).**

(a) Except as otherwise provided, the Board of Supervisors (Board) delegates the authority for approving specific travel requests within San Diego County (in-County business) and outside the geographical boundaries of San Diego County (out-of-County business) to the Chief Administrative Officer and individual elected officials.

(b) For purposes of this section, the Chief Administrative Officer includes the following authorized representatives: Assistant Chief Administrative Officer (ACAO), Deputy Chief Administrative

Officer/Chief Financial Officer (DCAO/CFO), Deputy Chief Administrative Officers, the Director, Health and Human Services (Agency Director) and Department Heads. Department Heads may delegate in County and out-of-County business signatory authority to Executive Management (EM or UM) level staff within their Department or Agency.

(c) The Chief Administrative Officer, or authorized designee, may approve in-County and out-of-County travel requests and expense claims. However, personal travel requests and expense claims of authorized representatives (ACAO, DCAO/CFO, DCAO, or Agency Director (HHS)) require approval of the Chief Administrative Officer.

(d) In extraordinary circumstances, travel outside of the United States that requires prior Board approval as defined in this section, may be taken prior to receiving approval of the Board of Supervisors. Such out-of-County business must be presented for Board ratification at the next appropriate meeting.

These administrative procedures apply only to discretionary County business travel. They do not apply to "operational" travel that occurs in the course of carrying out the functions of a department in a business as usual situation. Examples include travel by Sheriff's deputies, County attorneys, public defenders, and deputy district attorneys or their investigators in connection with a pending case, or prisoner or witness transportation. "Operational travel" is subject to GSA per diem rates.

(e) Out-of-County business must be authorized as described above in order to qualify for reimbursement of related actual and necessary expenses. Prior to being taken, any request for out-of-County business activity must be submitted to the Chief Administrative Officer, or authorized designee, for approval on a form prescribed by the Auditor & Controller. Upon return, a claim containing actual and necessary expenditures will be submitted to the Chief Administrative Officer, or authorized designee, for approval prior to processing by the Auditor & Controller, provided, however, that elected County officials may approve claims relating to their own approved out-of-County business.

(f) The Chief Administrative Officer, or authorized designee, may approve the following:

- Out-of-County business requests.
- Resultant claims.
- County business advances per Section 473.1.
- Unusual actual County business expenses per Section 472.1.
- Mode of transportation, including most appropriate available public carrier, per Section 474.
- Authorized County activities per Section 471.

(g) County business that is required by Federal or State law or court order shall be subject to the provisions of this Article unless otherwise specified.

(h) County officers and employees in the performance of official duties may conduct out-of-County business without specific authorization outside of the County of San Diego and into the Counties of Orange, Riverside, or Imperial. Specific approval must be obtained from the Board for travel to destinations outside of the United States. Business travel to Mexico and Canada is exempt from this restriction and should be budgeted.

(i) When on official County business, employees will not conduct County business at the expense of persons doing or seeking to do business with the County, without prior approval of the Chief Administrative Officer, or authorized designee.

(j) All payments made by the County pursuant to this Article shall be subject to applicable IRS rules and guidelines.

#### **SEC. 471. DEFINITIONS.**

(a) The term "persons in the service of the County" shall include all County officers and employees, including persons serving on County boards, commissions, committees, or advisory bodies; volunteers and reserves; and the Board of Directors of the San Diego County Capital Asset Leasing Corporation.

(b) The term "Chief Administrative Officer" includes authorized representatives as defined in Section 470(b).

(c) The term "authorized County activities" shall include: travel within the County of San Diego, business trips, meetings, presentations, educational courses, seminars, workshops, training and staff

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development sessions, field surveys and inspections, and any other activity determined by the Chief Administrative Officer, or authorized designee, to be of direct benefit to the County.

(d) The term "privately owned vehicle" shall be limited to vehicles with at least four wheels, licensed for use on public thoroughfares.

(e) The term "IRS" means Internal Revenue Service, United States Department of the Treasury.

(f) The term "GSA" means United States General Services Administration.

(g) The term "IRS mileage rate" means the business mileage rate established by the IRS.

#### **SEC. 472. NORMAL MAXIMUM REIMBURSABLE RATES AND AMOUNTS.**

Pursuant to Sections 913 and 913.1 of the County Charter, the normal maximum rates and amounts to be paid as reimbursement for actual and necessary expenditures related to authorized County business are established in this Section and Section 472.1. The Auditor & Controller shall periodically review these reimbursable rates and amounts and, as necessary, prepare adjustments for the Board's approval.

#### **Transportation**

The amount of reimbursement shall equal the actual cost of carrier services, including taxi-cabs, shuttles, vehicle rental and storage of vehicle.

For transportation by privately owned aircraft, the amount of reimbursement shall equal the equivalent fare for the appropriate available out-of-County public carrier as determined by the Auditor & Controller. For transportation by privately owned vehicle, the reimbursable amount shall be equivalent to the fare of the most appropriate available public carrier as determined by the Auditor & Controller, or the calculated actual mileage reimbursement, whichever is less. Mileage shall be reimbursed using the IRS mileage rate in effect at the County at the time of travel. In the event the IRS increases or decreases the reimbursement rate for mileage, the County will adjust its rate of reimbursement to equal the IRS rate within sixty (60) days of the effective date of the IRS increase.

When out-of-County travel is authorized using a privately owned vehicle or aircraft, the cost of the actual and necessary transportation, including parking fees at the destination shall also be eligible for reimbursement. The number of meals, nights of lodging, and days in a duty out-of-County business status shall be limited to the number which would have been required if transportation were furnished by the most appropriate available public carrier.

#### **Lodging**

The cost of lodging is limited to the amount arranged through the approved County travel agent. If booked outside the County travel agent, reimbursement shall be limited to the lesser of the published GSA per diem rate for the time and location of travel (GSA rates can be accessed via the Auditor and Controller's website) or the actual cost incurred. For locations not specifically listed in the schedule of GSA schedule, the per diem rate for the closest location to the vicinity of travel, as determined by the Auditor & Controller shall be used as the basis for reimbursement. Actual room tax may be reimbursed even if it is computed on room costs which exceed the stated rate.

Reimbursement for lodging involving the use of field camping equipment, including tents, campers, trailers, mobile homes, and similar portable or vehicular lodging equipment provided by the person in the service of the County shall be based upon the type of equipment used and the nature of the out-of-County business. Such reimbursement shall not exceed either: the amount arranged through the approved County travel agent; the relevant GSA per diem rate as determined by the Auditor & Controller; a reasonable amount determined by the Chief Administrative Officer, or authorized designee; or a combination of any of the items listed above.

#### **Meals and Incidentals**

GSA per diem rates based on the location of travel will be used for the reimbursement of meals and

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incidentals. These rates include any applicable tax and gratuity. Where the cost of a meal or meals is included as part of a registration charge or fee, there shall be no per diem meal reimbursement for the applicable meal period covered by such registration. Incidentals include fees and tips given to porters, baggage carriers, bellhops, and hotel staff.

Same Day Travel — meal reimbursements for same day travel (in- or out-of-County) will be subject to federal and state taxes and be reported as taxable wages on Form W-2 according to IRS guidelines. This also applies to operational travel and other same day meal reimbursements with the exception of meals meeting the IRS's definition of business entertainment or *de minimis* costs.

No reimbursement shall be made for alcoholic beverages of any kind.

No reimbursement shall be made for breakfast unless such out-of-County travel commences from office or place of residence by 7:00 a.m. or such travel is completed by return to office or place of residence at or after 8:00 a.m.; no reimbursement shall be made for lunch unless such travel commences at or before 11:30 a.m. or is completed at or after 1:00 p.m.; and no reimbursement shall be made for dinner unless such travel commences by, or is completed at or after, 7:00 p.m. GSA first and last day meals and incidentals reimbursement rates do not apply.

#### **Telephone - Fax - Internet - Registration**

The actual cost of business related telephone, fax, internet and registration charges or fees shall be reimbursed.

#### **Rental of Work or Conference Facilities**

A reasonable amount determined by the Chief Administrative Officer, or authorized designee, based upon the type of meeting, course, or session, and the number of participants shall be the basis for reimbursement.

#### **Miscellaneous Expenses**

Depending on the duration of the out-of-County business, miscellaneous items such as laundry and dry cleaning may be reimbursed in an amount that is determined by the Chief Administrative Officer, or authorized designee, to be reasonable and necessary for the conduct of County business. In addition to any reimbursement for use of a privately owned vehicle, 40% of the effective IRS mileage rate or a reasonable amount determined by the Chief Administrative Officer, or authorized designee, shall be reimbursed for each mile an authorized privately or publicly owned trailer is towed on business for the County by that vehicle.

#### **SEC. 472.1. UNUSUAL ACTUAL EXPENSES.**

Actual incurred expenses in excess of those specified in Section 472 may be claimed and reimbursed for individual meals and lodging only under the following limited circumstances if satisfactory written justification for the necessity for incurring such expenses is submitted with the claim pursuant to Section 473. Meal reimbursements in excess of the current GSA per diem rate will be subject to federal and state taxes and reported as taxable income on Form W-2 according to IRS guidelines.

(a) Unusual costs may be reimbursed for meals taken at a banquet, breakfast, or luncheon organized by a non-County entity where the established price of the meal usually includes facility, speaker, or other costs.

(b) Unusual costs may be reimbursed for accommodations at or near the location of the meeting or conference site involved to minimize added ground transportation expenses and facilitate the purpose for which County business has been authorized, provided that other reasonable, less expensive accommodations are not readily available. There will be no unusual cost reimbursement for lodging within the County, or for Retreats located in or outside the County organized solely for the benefit of

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County Employees and Officials.

The Chief Administrative Officer may approve, or may delegate to the Assistant Chief Administrative Officer authority to approve specific exceptions to these restrictions for unique circumstances upon presentation of satisfactory justification.

**SEC. 473. CLAIM FOR EXPENSES.**

For any expense which is reimbursable under this Article, a complete statement shall be filed with the Auditor & Controller on claim or other forms prescribed by the Auditor & Controller within 30 days of the date the expense was incurred. Original receipts for all individual expenditures in excess of the per diem allowance set out in Section 472 and for convention and registration fees regardless of amounts shall be filed with the statement. If an original statement is not available, the claimant must provide a description explaining why the actual receipt is not being presented. When available, the brochure or announcement describing the activity attended shall also be filed with the claim.

**SEC. 473.1. PREPAYMENTS.**

(a) Whenever any person in the service of the County is required to conduct business on behalf of the County, a request may be made for a prepayment of County business expenses and expenses incidental to such County business. Such a request is to be made on a form prescribed by the Auditor & Controller. The minimum advance allowable is \$100.

(b) Prepayments will be approved based on allowable maximum reimbursement per GSA per diem rates for the actual time on travel status. The times and dates for beginning and ending travel status together with the estimated lodging, meals and other expense should be accurately set forth.

(c) Prepayments normally should be requested no later than ten (10) working days, but not more than 30 days before departure.

(d) Upon the presentation of an approved request filed in accordance with procedures prescribed by the Auditor & Controller, a warrant shall be drawn payable to such person in the amount of the prepayment.

(e) Within 10 days after return, the person receiving such prepayment shall file with the Auditor & Controller a statement per Section 473 for the County business for which a prepayment was made and pay to the County any unexpended balance. An individual may not request or receive another prepayment until any outstanding prepayments have been settled.

**SEC. 474. MODE OF TRANSPORTATION.**

(a) Unless otherwise authorized, the mode of transportation for out-of-County business shall be by the most appropriate available public carrier as determined by the Auditor & Controller.

(b) The Chief Administrative Officer may authorize County business by privately owned vehicle or aircraft in lieu of public carrier.

(c) The head of any County office, department or institution is authorized to allow and direct any subordinate person in the service of the County who is authorized to participate in authorized County activities within the County to use a privately owned vehicle or aircraft. The Chief Administrative Officer is authorized to allow and direct such use of private conveyance for any person in the service of the County who is authorized to participate in authorized County activities within the County. Authorization shall be granted in accordance with rules and regulations and on forms prescribed by the Auditor & Controller.


Section 7. This ordinance shall take effect and be in force thirty days after its passage, and before the expiration of fifteen days after its passage, a summary hereof shall be published once with the names of the members of this Board voting for and against it in a newspaper of general circulation published in the County of San Diego.

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APPROVED AS TO FORM AND LEGALITY  
THOMAS E. MONTGOMERY, COUNTY COUNSEL

BY: Rachel H. Witt, Chief Deputy County Counsel

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of San Diego this 19<sup>th</sup> day of November, 2019.

  
\_\_\_\_\_  
DIANNE JACOB  
Chairwoman, Board of Supervisors  
County of San Diego, State of California

The above Ordinance was adopted by the following vote:

AYES: Cox, Jacob, Gaspar, Fletcher, Desmond

ATTEST my hand and the seal of the Board of Supervisors this 19<sup>th</sup> day of November, 2019.

ANDREW POTTER  
Clerk of the Board of Supervisors

By   
\_\_\_\_\_  
Joana Santiago, Deputy



Ordinance No.: 10635 (N.S.)  
Meeting Date: 11/19/19 (23)