



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

*GOVERNANCE COMMITTEE/BOARD MEETING
NOTICE and AGENDA*

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

**July 18, 2024
12:30 p.m.**

LOCATION AND TELECONFERENCE	COMMITTEE MEMBERS	
<p>ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1916 MAIN LINE: 510.628.3000 FAX: 510.268.9574</p> <p>The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number.</p> <p>https://zoom.us/join Call-In Number: 1 699 900 6833 Meeting ID: 852 7189 6345 Password: 869443 For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	GEORGE WOOD, CHAIR	ELECTED GENERAL
	JAMIE GODFREY, VICE CHAIR	APPOINTED
	ROSS CLIPPINGER	ELECTED SAFETY
	HENRY LEVY	TREASURER
	ELIZABETH ROGERS	ELECTED RETIRED

The Alternate Retired Member votes in the absence of the Elected Retired Member, or, if the Elected Retired Member is present, then votes if both Elected General Members, or the Safety Member and an Elected General Member, are absent.

The Alternate Safety Member votes in the absence of the Elected Safety Member, either of the two Elected General Members, or both the Retired and Alternate Retired Members.

This is a meeting of the Governance Committee if a quorum of the Governance Committee attends, and it is a meeting of the Board if a quorum of the Board attends. This is a joint meeting of the Governance Committee and the Board if a quorum of each attends.

Board and Committee agendas and minutes, and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure), are available online at www.acera.org and also may be inspected at 475 14th Street, 10th Floor, Oakland, CA 94612-1916.

Public comments are limited to four minutes per person in total. The order of agenda items is subject to change without notice.

Note regarding accommodations: If you require reasonable accommodations or modifications for a disability, please contact ACERA between 9:00 a.m. and 5:00 p.m. at least 72 hours prior to the meeting at accommodation@acera.org or at 510-628-3000.

GOVERNANCE COMMITTEE / BOARD MEETING

NOTICE and AGENDA, Page 2 of 2 –July 18, 2024

Call to Order: 12:30 p.m.

Roll Call

Public Input (Time Limit: 4 minutes per speaker)

Action Items: Matters for Discussion and Possible Motion by the Committee

1. Review of the *CEO Evaluation Policy*

Staff Recommendation

The Committee recommends to the Board that the *CEO Evaluation Policy* continues to be necessary and appropriate and that the Board affirm the *CEO Evaluation Policy* without revision.

– Jeff Rieger, Chief Counsel

2. Review of the *CEO Succession Policy*

Staff Recommendation

The Committee recommends to the Board that the *CEO Succession Policy* continues to be necessary and appropriate and that the Board affirm the *CEO Succession Policy* without revision.

– Jeff Rieger, Chief Counsel

3. Review of the *CEO Job Duties and Delegation of Authority Policy*

Staff Recommendation

The Committee recommends to the Board that the *CEO Job Duties and Delegation of Authority Policy* continues to be necessary and appropriate and that the Board make the revisions to the *CEO Job Duties and Delegation of Authority Policy* shown in the redline included with this agenda packet.

– Jeff Rieger, Chief Counsel

Trustee Input

Establishment of Next Meeting

TBD

Adjournment



To: Governance Committee
From: Jeff Rieger, Chief Counsel
Meeting: July 18, 2024
Subject: **Policy Review**

A handwritten signature in blue ink, appearing to be "JR", located to the right of the "From:" field.

At this meeting, the Committee will review three policies relating to the CEO. Staff recommends that all three policies continue to be necessary and appropriate and that the Board adopt the CEO Evaluation Policy and the CEO Succession Policy, without revisions.

Staff recommends adding a section to the CEO Job Duties and Delegation of Authority Policy to delegate authority to the CEO to settle claims and threatened claims. After consulting with the Chief Counsel, the CEO could authorize payment of up to \$15,000 in ACERA funds to settle a claim or threatened claim. With the Board Chair's written approval, the CEO would have such settlement authority up to \$50,000. All such settlements would be reported to the Board on the next practicable Consent Calendar of a Board meeting agenda. This delegation authority is recommended because:

- Having to bring proposed settlement terms to the Board for approval can cause delay and uncertainty that can make time-sensitive matters harder to settle.
- Delay can increase costs for ACERA. For example, in a personnel matter, an ACERA staff member may be on paid leave while settlement terms are pending.
- Bringing proposed settlement terms to the Board for approval can raise additional legal issues (Brown Act, due process, confidentiality/privacy, etc.). Those additional issues can add risk for ACERA because a party might later claim that the matter was not brought to the Board properly. Taking on that additional risk may be unwarranted in a matter that can be settled for \$50,000 or less.
- Bringing matters to the Board requires additional work from staff and consumes additional Board meeting time.
- The two-tiered authority is generally consistent with the Board's delegation of authority in the Service Provider Policy—CEO authority up to \$75,000 annual cost and up to \$150,000 annual cost with the Board Chair's written approval.
- \$15,000 authority is generally consistent with the CEO's authority to compromise recovery of overpayments of benefits under the Error Correction Policy.

Whether to add the delegation of settlement authority to the CEO is entirely up to the Board. Staff recommends adding that authority for the reasons stated above.



CEO Evaluation Policy

I. Purpose

- A. The purpose of the CEO Evaluation Policy is to provide a documented process that the Board will follow when assessing the CEO's performance, providing him/her with feedback, and determining his/her compensation on an annual basis.

II. Objectives

- A. Evaluating the performance of the CEO is one of the most important duties of the ACERA Board of Trustees. Accordingly, the process should be designed to include the active participation of all trustees.
- B. With regards to the annual evaluation process, timing is of the essence. Given the potential for trustee turnover at the beginning of each year, it is important that the evaluation process be completed by each trustee prior to departing the Board whenever possible. The evaluation process, including the basis of the evaluation and the results, should be transparent to all trustees and the CEO.
- C. Staff members reporting to the CEO should generally not play a role in the evaluation process unless requested by the Board, except to the extent that they have an official role in assisting the Board and/or Board Chair with the process such as the ACERA Chief Counsel and Human Resources Officer.

III. Policy Guidelines

- A. Annual Evaluation Form
 - i. The CEO Performance Evaluation Form sets out the criteria to be used by the trustees in evaluating the CEO's performance each year. A copy of the CEO Performance Evaluation Form is attached as Exhibit A.

B. Evaluation Criteria

- i. In determining the performance criteria to be incorporated in the CEO Performance Evaluation Form, the following guidelines shall be observed:
 - a. To the extent possible, the criteria should be objective in nature.
 - b. The criteria should address the CEO's performance in meeting annual objectives. In December of each year, the Board will define a set of key objectives for the CEO that are critical to advancing ACERA's strategies. Target performance should be defined for each objective. The CEO's performance on each key objective will be weighted as 50% of the evaluation.
 - c. The criteria should address the CEO's leadership competencies, including the following: vision and strategy; maximizing talent; leading change; technical expertise; and judgment and decision making. The CEO's leadership competencies will be weighted as 30% of the evaluation.
 - d. The criteria should address the CEO's performance in carrying out ongoing responsibilities. These responsibilities include overseeing day-to-day operations, implementing new strategies, resource development, and external/community relations. The CEO's ongoing responsibilities will be weighted as 20% of the evaluation.
 - e. The criteria should also provide an overall evaluation rating as well as an opportunity for each trustee to suggest specific ways in which the CEO may improve performance in the future.

C. Evaluation Timetable

- i. December – Objectives for Following Year:
 - In December of each year, the CEO and the Board will discuss and confirm the CEO's objectives for the upcoming year in closed session under Gov't Code 54957(b)
 - These objectives will be memorialized in writing, kept by the Board Chair and incorporated into the CEO Performance Evaluation Form that will be used in the upcoming year to evaluate the CEO's performance.

- The Board Chair will memorialize the objectives in writing and provide the CEO Performance Evaluation Form to the new Board Chair for the upcoming year in January.
2. June Board Meeting:
 - In June the Board and CEO may conduct a mid-year informal performance discussion in closed session, under Gov't Code § 54957(b). If conducted, the CEO will provide a self-evaluation to all Board members before the June meeting.
 - Similar to the end of year evaluation, the CEO will be provided an opportunity to present and discuss, in closed session, his/her self-evaluation and subsequent to the discussion the CEO may be excused from the meeting to permit the Board to conduct further discussions.
 - The Board has discretion to address the compensation package during the mid-year evaluation. Any discussions regarding compensation must occur either in open session or in closed session under Gov't Code § 54957.6 with any final action in open session.
 3. October Board Meeting:
 - At the October Board meeting, the CEO will provide a self-evaluation to the Board for its consideration in the overall evaluation in closed session under Gov't Code § 54957(b).
 - At the same meeting, Trustees will be given CEO Performance Evaluation forms.
 4. Two Weeks after the October Board Meeting:
 - Trustees shall complete the CEO Performance Evaluation Forms and forward them to the Board Chair two weeks after the October Board meeting.
 - Once the Board Chair receives the evaluation forms, the Board Chair shall review the forms and create a summary of the evaluations ("Summary") to give to the CEO and Board at the November Board meeting.
 5. November Board Meeting:

- At the November Board meeting, the Board Chair will provide the Summary to the CEO and Board to review in closed session under Gov't Code § 54957(b).
 - The CEO shall have an opportunity to present and discuss, in closed session, his/her self-evaluation presented to the Board at its October Board meeting.
 - Subsequent to the discussion, the CEO may be excused from the meeting to allow the Board to conduct further discussions.
6. December Board Meeting:
- At the December Board meeting, the Board will address the compensation package, unless the CEO does not seek any adjustment to the compensation package. The Board may consult with a designated representative (which usually will be the Board Chair) in closed session consistent with Government Code section 54957.6, but all final action on proposed compensation occur in open session at a regular meeting of the Board.
 - The Board, as noted above in Section C (1), will also discuss and confirm the CEO objectives for the upcoming year (if not completed by this date) in closed session under Gov't Code § 54957(b)
7. It is the Board's intent to complete the evaluation at the November Board meeting and the compensation package at the December Board meeting.

D. Compensation Package

1. Upon completion of the annual performance evaluation, the Board shall establish the compensation of the CEO for the following year and direct Staff to amend the CEO contract, as may be necessary to incorporate the Board-approved compensation changes. In doing so, the Board shall adhere to the following guidelines or principles:
 - a. The Compensation package should be arrived at initially through a negotiation process involving the Board Chair, or designee, and the CEO. The final decision, however, rests with the Board.
 - b. The Board Chair has discretion to create an ad hoc committee to gather and evaluate data to assist in the compensation process.

- c. The compensation package established each year should be progressive in that it is not necessarily constrained or dictated by the previous years' practices or general industry practices.
 - d. The CEO will be granted any and all COLA's that are approved for Alameda County unrepresented management.
 - e. Should compensation include a bonus or incentive-based element, the Board will establish with the CEO specific and objective criteria that will serve as the basis for awarding said bonus or incentive element.
2. Determining the structure of the compensation package, the Board may incorporate the following elements as it deems appropriate:
 - a. Salary
 - b. Bonus
 - c. Performance incentives
 - d. Perquisites
 - e. Benefits
 - f. Severance

E. Transition

Throughout the above process, the Chair of the Board shall establish and maintain a file containing a record of all relevant activities involving the CEO Evaluation Process, including the Chief Executive Officer Performance Evaluation Form, completed individual Evaluation Forms, Summary of Evaluations, etc. Once the Evaluation Process is completed, the Board Chair will provide the Human Resource Officer all relevant documents in a sealed envelope for storage.

IV. Policy Review

The Governance Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

V. Policy History

- A. The Board adopted this policy on November 18, 1999.
- B. The Board reviewed and adopted this policy, with revisions, on May 20, 2021.¹

¹ Adoption date: November 18, 1999. Previous amendment dates, with revisions (except where noted): August 16, 2001; December 18, 2003; May 19, 2005; October 18, 2007; October 15, 2009 (without revisions); December 15, 2011; December 19, 2013; December 17, 2015; and July 20, 2017.



CEO Performance Evaluation Process

Rating Scale Definitions

Use the following rating scale to evaluate employee performance against goal achievement and demonstration of competencies for the upcoming performance period.

3. Exceeded Expectations	2. Achieved Expectations	1. Did Not Meet Expectations
<p>Consistently exceeded results and demonstrated advanced competencies. <i>The CEO had an outstanding year.</i></p>	<p>Consistently achieved results and demonstrated effective competencies. <i>The CEO met the Board's standards for performance and had a successful year.</i></p>	<p>Improvement is needed in one or more significant areas of expected job results and/or competencies. <i>The CEO did not meet the objective.</i></p>

1. CEO Annual Goals (50% of evaluation)

Instructions: At the beginning of the year, the Board will define a set of key goals for the CEO that are critical to advance ACERA's strategies. Target performance should be defined for each goal. At year-end, please rate the CEO's performance on each key business objective using the rating scale shown.

Rating Scale

3	Exceeded Expectations
2	Achieved Expectations
1	Did Not Meet Expectations
N/A	Not Sure / Unable to Rate

Goal #1

Define the Key Business Objectives:

Define Target Performance:

Priority <i>(optional – start of year)</i>	Rating <i>(required)</i>

Results Achieved/Comments: *(optional)*

Goal #2

Define the Key Business Objective:

Define Target Performance:

Priority <i>(optional – start of year)</i>	Rating <i>(required)</i>

Results Achieved/Comments: *(optional)*

Goal #3

Define the Key Business Objective:

Define Target Performance:

Priority <i>(optional – start of year)</i>	Rating <i>(required)</i>

Results Achieved/Comments: *(optional)*



ACERA – CEO Performance Evaluation Form

Goal #4		
Define the Key Business Objective:		
Define Target Performance:	Priority <i>(optional – start of year)</i>	Rating <i>(required)</i>
Results Achieved/Comments: <i>(optional)</i>		
Goal #5		
Define the Key Business Objective:		
Define Target Performance:	Priority <i>(optional – start of year)</i>	Rating <i>(required)</i>
Results Achieved/Comments: <i>(optional)</i>		
(Overall weighted average on goal achievement will be calculated)		

2. CEO Leadership Competencies (30% of evaluation)		
Instructions: At the beginning of the year, the Board will review the leadership expectations with the CEO and discuss strengths and developmental areas. At year-end, please rate the CEO's performance on each of the leadership expectations using the rating scale shown.		
Rating Scale		
3	Exceeded Expectations; demonstrates advanced performance on this competency.	
2	Achieved Expectations; demonstrates proficient performance on this competency.	
1	Did Not Meet Expectations.	
N/A	Not Sure / Unable to Rate.	
Leadership Competencies (Equally Weighted)	Comments <i>(optional)</i>	Rating <i>(required)</i>
1 Vision and Strategy —Develops a compelling picture of ACERA's vision and strategy; understands the long-term view of ACERA's strengths, challenges, and opportunities; anticipates competitive trends and develops innovative strategies.		
2 Maximizing Talent —Builds ACERA's long-term capability by ensuring the organization attracts, engages and retains a talented, diverse workforce; coaches and develops direct reports and emerging leaders.		
3 Leading Change —Creates and drives critical change initiatives across ACERA by defining outcomes, energizing others and actively working with stakeholders to identify and work through resistance.		
4 Technical Expertise —Builds depth and breadth of technical expertise and effectively makes decisions based on technical knowledge to increase credibility and success of ACERA.		
5 Judgment and Decision Making —Generate insightful, innovative and practical solutions to complex or unusual problems through the use of critical thinking and judgment; effectively balances risk in decision making.		



ACERA – CEO Performance Evaluation Form

3. Ongoing CEO Responsibilities (20% of evaluation)

Instructions: In addition to specific goals, the CEO also has many important ongoing responsibilities. At year-end, please rate the CEO's performance on these ongoing responsibilities using the rating scale shown.

Rating Scale

3	Exceeded Expectations
2	Achieved Expectations
1	Did Not Meet Expectations
N/A	Not Sure / Unable to Rate

Ongoing Responsibilities	Comments <i>(optional)</i>	Rating <i>(required)</i>
CEO's Performance in Carrying Out Ongoing Responsibilities —includes overseeing day-to-day operations, implementing new strategies, resource development, and external/community relations.		

4. Overall Evaluation

Instructions: At year-end, please consider the CEO's performance for the full year and provide an overall evaluation using the rating scale shown. (Note: while a calculated overall rating will be generated, this question allows each Board member to reflect on the CEO's performance for the full year and provide a comprehensive evaluation including consideration of performance areas that may not be covered by this form.)

Rating Scale

3	Exceeded Expectations—Consistently exceeded results and demonstrated advanced competencies. <i>The CEO had an outstanding year.</i>
2	Achieved Expectations—Consistently achieved results and demonstrated effective competencies. <i>The CEO met the Board's high standards for performance and had a successful year.</i>
1	Did Not Meet Expectations—Improvement is needed in one or more significant areas of expected job results and/or competencies. <i>The CEO did not meet the objectives.</i>

	Rating <i>(required)</i>
Overall Evaluation Rating	

5. Open Ended Questions (Optional)

- a. What was the CEO's most significant achievement over the past year?
- b. Which area of the CEO's performance, if any, needed more attention over the past year?
- c. Which current or new goals should the CEO focus on during the next 12 months?
- d. Please share any additional comments.

Thank you.



CEO Succession Policy

I. Purpose

The purpose of the CEO Succession Policy is to ensure that in the event of a crisis or vacancy in executive leadership at the Chief Executive Officer (“CEO”) level, a clear and rational plan exists to ensure continuity in leadership, thus mitigating the risk of interruptions in plan operations. This Policy ensures that there are qualified employees (or a means of recruiting them) who are able to take over when the CEO exits the agency to continue providing excellent service during times of transition.

II. Objectives

- A. The loss of the CEO for any reason requires a swift and considered response in order to minimize potential disruptions to ACERA.
- B. ACERA accepts the need to maintain, whenever possible, a separation between the roles of the Board and management, even if the CEO should be unable or unwilling to carry on in his/her capacity as the senior executive officer of ACERA.

III. Assumptions & Principles

- A. In the event that the CEO is unable or unwilling to carry out his/her duties due to death, illness, departure from employment, or other reason, the incumbents in the positions below shall, in the order listed, immediately assume the role of CEO and assume all responsibility and authority delegated to the CEO until the next scheduled board meeting:
 - i. List of Incumbent Positions in Succession Order
 - a. Assistant CEO Benefits
 - b. Assistant CEO Fiscal & Information Services
 - c. Chief Counsel

2. If one of the incumbents in the positions above assumes the duties of the CEO, at the next regularly scheduled Board meeting, the Board shall select an Interim CEO from the list above or any other candidate the Board deems qualified and appropriate to assume the duties of the CEO.
 3. If the incumbents in the positions above are unable or unwilling to carry out the responsibilities of the CEO until the next scheduled Board meeting, the Board shall promptly convene a special meeting of the Board to select an appropriate interim replacement from among senior management or any another candidate the Board deems qualified and appropriate.
- B. In selecting an Interim CEO, the Board shall give consideration to the skills and experience of the candidates and the extent to which they best match the minimum qualifications for the position and the needs of ACERA on an interim basis.
- C. Once the Board selects Interim CEO, the Board shall ratify the Interim CEO's authority.
- D. After selection and ratification of the Interim CEO's authority to assume the responsibilities of the CEO on an interim basis, the Board shall:
1. Negotiate with the Interim CEO concerning his/her compensation package within the established salary range of the CEO Position, and
 2. Initiate a process to select and appoint a permanent successor to the CEO.
- E. In the event that an Assistant CEO position should become vacant, the CEO shall promptly inform the Board of Trustees and initiate a process to identify a replacement for the Assistant CEO as soon as possible.
- F. When the Board meets to discuss and select or to evaluate the Interim CEO, the Board may meet in closed session under Gov't Code § 54957(b), but discussions regarding compensation will occur either in open session or in closed session under Gov't Code § 54957.6. Discussions regarding compensation must occur at a regular (not special) meeting. *See* Gov't Code § 54956(b).
- G. The CEO will establish a procedure for delegating an acting CEO in his/her absence in the event he/she will be temporarily unavailable due to vacation or attendance at a

conference or training. Such procedures will include notice to the Board and permit the CEO to delegate duties and responsibilities to the acting CEO and other members of the Senior Management Staff.

IV. Policy Review

The Governance Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

V. Policy History

- A. The Board adopted this policy on July 17, 2001.
- B. The Board reviewed and adopted this policy, with revisions, on May 20, 2021.¹

¹ Adoption date: July 17, 2001. Amendment dates, with revisions (except as noted): January 19, 2006; March 20, 2008; June 17, 2010; December 15, 2011; December 19, 2013; December 17, 2015 (without revisions); and November 16, 2017.



CEO Job Duties and Delegation of Authority Policy

I. Introduction:

The Chief Executive Officer (CEO) plans, organizes, and directs the operations of ACERA in accordance with the Board of Retirement's ("Board") mission, goals, objectives, and policies and the 1937 Act, and provides executive leadership to the Alameda County Employees' Retirement Association ("ACERA").

II. Duties, ~~and~~ Responsibilities and Delegations of Authority:

A. *Leadership and Policy Analysis*

1. The CEO will provide leadership for the ACERA staff in implementing the programs necessary to achieve the mission, goals and objectives established by the Board. The CEO will manage the day-to-day affairs of ACERA in accordance with policies established by the Board, and may delegate duties to senior management as necessary. In so doing, the CEO will solicit advice and counsel from the Board, the Chair, or individual Board members, as appropriate.
2. The CEO will provide support to the Board and its committees in establishing all policies of the Board including identifying and analyzing issues related to Board policy, and providing well-supported policy recommendations for consideration by the Board or its committees.
3. The CEO will be responsible for ensuring that all policies of the Board and provisions of the 1937 Act are properly implemented.
4. At the Board's direction, the CEO will represent ACERA's interests at trade and professional organizations, the County Board of Supervisors, and before the State Legislature.

B. *Governance*

- i. The CEO will:
 - a. Recommend to the Governance Committee policies to help ensure appropriate governance practices;
 - b. Assist the Board in implementing its governance policies and related governance documents;
 - c. Assist with Board member education and travel.
2. The CEO will serve as Secretary to the Board and, as such, will carry out the following duties:
 - a. Coordinate meetings, agendas, schedules and presentations for both Board and Committee meetings in accordance with the Ralph M. Brown Act, California Government Code Section 54950, et seq.
 - b. Maintain minutes of Board and Committee meetings;
 - c. Sign minutes upon approval of the Board;
 - d. Sign subpoenas.

C. *Investments*

- i. The CEO will:
 - a. Employ a Chief Investment Officer (CIO) with appropriate education and experience in institutional investing;
 - b. Carry out the duties described in this section through the CIO and other professional investment staff;
 - c. Assist the Board in developing and revising an Investment Plan. Implement such plan, including the monitoring of consultants and investment managers and implementing the investment portfolio re-balancing policy.
 - d. Recommend to the Board strategies for achieving the investment objectives;

- e. Implement the strategies approved by the Board by establishing manager structures of reach asset class, which includes determining:
 - 1) The number of investment manager mandates to be established; and
 - 2) The size of each investment manager mandate.
- f. Ensure executive portfolio rebalancing and portfolio transitions;
- g. Ensure that necessary research is performed into investment trends, issues and opportunities that may have implications for the investment program of ACERA;
- h. Ensure all necessary investment manager due diligence is performed in accordance with Board policy; and
- i. Oversee the recommendation of investment managers for appointment by the Board.

D. *Benefits Administration*

- i. The CEO will:
 - a. Recommend to the Board, as necessary, policies to ensure effective and efficient administration of member benefits;
 - b. Ensure accurate payment of benefits to members, and address problems or errors in accordance with established policies and procedures;
 - c. In consultation with medical evaluators and legal counsel, recommend disability applications to the Board for its consideration;
 - d. Maintain accurate records of member accounts;
 - e. Ensure delivery of high quality of service to members including calculations and counseling; and
 - f. Develop staff policies and procedures to ensure effective and efficient administration of member benefits.

E. *Operations*

- i. The CEO will:
 - a. Recommend to the Board, as appropriate, Board policies designed to help ensure effective operations;
 - b. Develop and recommend a business plan to the Board, as well as updates to the plan as necessary;
 - c. Recommend the annual Operating Budget to the Board;
 - d. Execute or approve agreements and authorize payment related to the administration of ACERA consistent with the Operating Budget and internal controls of ACERA.
 - e. Account for and ensure appropriate collection, deposit and distribution of funds as required;
 - f. Implement internal operational control policies;
 - g. Ensure the appropriate design, acquisition, implementation and maintenance of all technological systems required to administer ACERA.
 - h. Cause to be prepared a comprehensive annual financial report on the operations of ACERA for Board approval;
 - i. Maintain the records of ACERA in a permanent and readily accessible format; and
 - j. Maintain an effective working relationship with the County and other plan sponsors of ACERA.

F. *Finance, Actuarial and Accounting*

- i. The CEO will:
 - a. Recommend to the Board financial and accounting policies;

- b. Implement appropriate internal financial controls to safeguard the assets of ACERA;
- c. Assist the Board in coordinating the annual financial audit;
- d. Coordinate the actuarial valuation, actuarial experience studies, and actuarial audits, and
- e. File in the office of the County Auditor and with the Board of Supervisors a sworn statement which will exhibit the financial condition of ACERA at the close of the preceding calendar year and its financial transactions for the year ending on that day. (Gov't Code § 31597)

G. *Human Resources*

- i. The CEO will:
 - a. Recommend a human resources and compensation policy to the Board;
 - b. Assess the human resources needs of ACERA and establish and implement appropriate human resource programs and procedures, consistent with the human resources and compensation policy of the Board;
 - c. Hire, manage and terminate senior management, and oversee the hiring, management and termination of all other staff,
 - d. Develop training and job development programs for ACERA as approved in the Operating Budget; and
 - e. Set compensation for ACERA senior management and unrepresented employees, and implement compensation changes for represented employees negotiated through the collective bargaining process.

H. Settlement Authority

1. After consulting with the Chief Counsel, the CEO may authorize payment of up to \$15,000 in ACERA funds to settle a claim or threatened claim against ACERA on terms that the CEO determines are in ACERA's best interest.
2. After consulting with the Chief Counsel and obtaining the Board Chair's written approval, the CEO may authorize payment of up to \$50,000 in ACERA funds to settle a claim or threatened claim against ACERA on terms that the CEO determines are in ACERA's best interest.
3. All settlement payments authorized under the delegation of authority in this Section II(H) must be reported to the Board on a Consent Calendar of a Board meeting agenda as soon as practicable after the settlement payment is made. Such reports must include at least the name of the payee, the amount of the payment and a general description of the nature of the claim or threatened claim settled.

H.I. Monitoring and Reporting

1. The CEO will provide the Board with relevant, appropriate and timely information to enable it to properly carry out its oversight and fiduciary responsibilities. Furthermore, the CEO will apprise the Board in a timely manner of all significant issues problems, or developments pertaining to ACERA, and provide recommended courses of action as appropriate.
2. The CEO will:
 - a. Review all policies of ACERA on a regular basis to ensure they are being followed and continue to meet the needs of ACERA.
 - b. Monitor the funded status of ACERA and all issues that may reasonably have a significant impact on such status;
 - c. Monitor the investment performance of the fund, the component asset classes, and the investment managers retained to manage the assets of the fund;
 - d. Review and respond to the findings of the annual financial audit and of any internal audits that may be performed.

- e. Monitor employees and service providers of ACERA to ensure compliance with the policies of ACERA, and to hire and terminate such service providers consistent with Board direction.
- f. Review the activities and performance of key service providers including the actuary, financial auditor, investment consultant, legal counsel, and custodian on a regular basis.
- g. Monitor and evaluate the activities and performance of senior management;
- h. Monitor the accuracy and timeliness of all payments due to and payable by ACERA;
- i. Monitor ACERA's compliance with applicable laws and regulations; and
- j. In conjunction with legal counsel, monitor the status of all claims, demands, disputes and legal proceedings involving ACERA and report to the Board of Retirement as appropriate.

III. Policy Review

The Governance Committee shall review this policy at least every three (3) years, or whenever a vacancy exists in the Chief Executive Officer position, to ensure that it remains relevant and appropriate.

IV. Policy History

- A. The Board adopted the Chief Executive Officer Job Description on March 16, 2000¹.
- B. The Board reviewed and adopted this Policy, with revisions, on May 20, 2021.

¹ The Board of Retirement adopted the CEO Job Duties and Delegation of Authority Policy on March 16, 2000. The Board reviewed and adopted this Policy, with revisions, on December 21, 2006; March 19, 2009; April 21, 2011; September 19, 2013; October 16, 2014; and June 21, 2018. The Board reviewed and adopted this Policy, without revisions, on December 19, 2013, and July 21, 2016.