



SENIOR MANAGEMENT CONTINGENCY PLAN

I. PURPOSE

The purpose of the ACERA Senior Management Contingency Plan is to ensure that in the event of a crisis in executive leadership, a clear and rational plan exists to ensure continuity in leadership at the senior management level, thus mitigating the risk of interruptions in plan operations.

II. ASSUMPTIONS & PRINCIPLES

- A. The loss of the Chief Executive Officer (CEO) for any reason requires a swift and considered response in order to minimize potential disruptions to the Association.
- 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 the Association.

III. POLICY GUIDELINES

- A. In the event that the CEO is unable or unwilling¹ to carry out his/her duties due to death, illness, departure from employment, or other reason, it is the Board's intent that
 - 1. The Assistant CEO Fiscal & Information Services shall immediately assume the role of Acting CEO and assume all responsibility and authority, previously delegated to the CEO by the Board of Trustees until the next regularly scheduled Board meeting.
 - 2. In the event that the Assistant CEO–Fiscal & Information Services is unable or unwilling to carry out the responsibilities of the CEO, it is the Board's intent that the Assistant CEO–Benefits immediately assume the role of Acting CEO and assume all responsibility and authority previously

¹ The Board determines at what juncture the CEO is considered unavailable or unable to perform his/her duties requiring selection of an interim CEO.

- delegated to the CEO by the Board of Trustees until the next regularly scheduled Board meeting.
- 3.** In the event that both the Assistant CEOs are unable or unwilling to carry out the responsibilities of the CEO, it is the Board's intent that the Chief Counsel immediately assume the role of Acting CEO and assume all responsibility and authority, previously delegated to the CEO by the Board of Trustees until the next regularly scheduled Board meeting.
 - 4.** At the next regularly scheduled Board meeting, the Board shall select one of the following: the Assistant CEO–Benefits, the Assistant CEO–Fiscal & Information Services, Chief Counsel, or another candidate the Board deems qualified and appropriate to assume the duties of the CEO on an interim basis.
 - 5.** In the event that the CEO is unable or unwilling to perform his/her duties and both Assistant CEOs and the Chief Counsel are unable or unwilling to carry out the responsibilities of the CEO until the next scheduled Board meeting, the Board shall promptly convene an emergency meeting of the Board to select an appropriate interim replacement from among senior management or another candidate the Board deems qualified and appropriate.
- B.** In selecting an Acting 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 the Association on an interim basis.
- C.** Once the Board selects a permanent Acting CEO, the Board shall ratify the Acting Chief Executive's interim authority.
- D.** After selection and ratification of a permanent Acting CEO's² interim authority to assume the responsibilities of the CEO on an interim basis, the Board shall:
- 1.** Negotiate with the Acting CEO concerning his/her compensation package within the established salary range of the CEO Position and

² For any Acting CEO who is selected and ratified by the Board, the Board authorizes the Human Resources Officer to address out of class pay compensation and other personnel matters related to that Acting CEO.

- 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 at any time while the CEO is available, 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.** The Brown Act provides “[N]othing contained in this chapter shall be construed to prevent the legislative body of a local agency from holding closed sessions during a regular or special meeting to consider appointment, employment, evaluation of performance, discipline, or dismissal of a public employee....” When the Board meets to discuss and select or to evaluate the Acting CEO, the Brown Act permits to the Board to meet in closed session.
- 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 two (2) years to ensure that it remains relevant and appropriate.

V. POLICY HISTORY

- A.** The Board adopted this policy on July 17, 2001.
- B.** The Board reviewed and renewed this policy, without revisions, on December 17, 2015.