



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 12

MEETING DATE: May 17, 2023

SUBJECT: CEO Delegated Authority Policy for Personnel

SUBMITTED FOR: ___ Consent X Deliberation and Action ___ Receive and File

RECOMMENDATION

Approve new policy to formalize existing practices regarding the Chief Executive Officer's authority for personnel matters.

PURPOSE

This item supports the Strategic Management Plan goals to promote transparent policies about roles and responsibilities, and maintain a high-performance organizational structure and workforce, with the capacity and skills needed to fulfill SCERS' mission.

DISCUSSION

As part of a regular review of policies and practices, Staff determined that the longstanding delegation of authority to the CEO to approve staff personnel decisions should be clarified in a formal policy.

Staff presented a draft policy at the April Board Meeting and have amended the policy per the discussion with trustees. The amended language adds a requirement for the Board to approve disciplinary action or termination of the General Counsel.

ATTACHMENTS

- Board Order
- CEO Delegated Authority Policy for Personnel (redline of April 2023 draft)
- CEO Delegated Authority Policy for Personnel (clean version)

Prepared by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
May 17, 2023

AGENDA ITEM:

CEO Delegated Authority Policy for Personnel

THE BOARD OF RETIREMENT hereby approves Staff's recommendation to approve new policy to formalize existing practices regarding the Chief Executive Officer's authority for personnel matters.

I HEREBY CERTIFY that the above order was passed and adopted on May 17, 2023 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES:
(Present but not voting)

Keith DeVore
Board President

Eric Stern
Chief Executive Officer and
Board Secretary



CEO Delegated Authority Policy for Personnel Matters

PURPOSE

The purpose of this policy is to provide for the efficient and effective management of SCERS by delegating authority from the Board to the SCERS Chief Executive Officer (CEO), as the Retirement Administrator of SCERS, over personnel matters and the appointment of Chief Investment Officer, General Counsel, and Assistant Administrators, as well as administrative, technical and clerical staff personnel as are required to accomplish the necessary work of the Board.

POLICY

AUTHORITY OVER PERSONNEL

1. **Administration.** The Board delegates to the CEO, as Executive Officer of SCERS and for the Board, the authority to administer SCERS with exclusive management and control of the day-to-day operations of SCERS, subject to direction and approval of the Board, and to provide administrative leadership of SCERS' personnel.
2. **Personnel Matters.** The Board delegates to the CEO general authority over personnel matters involving SCERS' staff, to include but not limited to the following:
 - a. Recruiting, onboarding, managing, promoting, disciplining and terminating executive staff exempt from Civil Service, including Chief Investment Officer, ~~General Counsel~~, and Assistant Administrators.
 - a.b. Recruiting, onboarding, managing, and promoting of General Counsel. Except, that any disciplinary action or action to terminate the General Counsel by the CEO shall be first reviewed and approved by the Board. However, for day-to day operations, the General Counsel shall report directly to the CEO and shall advise the CEO on appropriate legal matters and shall perform other duties as requested by the CEO.
 - c. Serving as the departmental appointing authority for SCERS for County personnel matters, as defined under Sacramento County Code 2.78.210, including the approval of all personnel decisions concerning SCERS' staff, consistent with applicable federal, state, and County laws and policies.
 - d. Any communication or requests for information by the Board (or individual members of the Board) with or of staff shall be directed through the CEO. However, the CEO may delegate any communication directly to and/or from a Board member(s) or a staff member(s) for particular issues.
 - b.—
 - c.—
 - d. ~~Non-Interference. Individual Board members shall not interfere with the CEO in regard to SCERS' personnel matters.~~

APPLICATION

This policy is to apply to all executive and administrative staff of SCERS under the direction, management and control of the CEO.

The CEO shall review the proposed selection of Chief Investment Officer, Assistant Administrators, and General Counsel with the Board of Retirement prior to their appointment. The CEO shall report to the Board any significant changes to executive/administrative staff at the Board's next Regular Meeting.

BACKGROUND

The CEO has been appointed by the Board in accordance with Gov. Code § 31522.1 and § 31522.2 and is responsible for the management of SCERS including investment and oversight of the retirement fund as directed by the Board, operating budget, appointment and management of personnel, and other day-to-day activities of SCERS. Gov. Code § 31522.3 and § 31529.9 authorize the Board to appoint Chief Investment Officers, Assistant Administrators, and legal staff, as well as administrative, technical and clerical staff personnel as are required to accomplish the necessary work of the Board (pursuant to Gov. Code § 31522.1).

The CEO serves as Secretary of the Board of Retirement in its management of SCERS. Pursuant to Gov. Code § 31522.2 and § 31590, the CEO has authority on behalf of the Board: To sign or authorize all warrants, checks, and electronic fund transfers drawn on the retirement fund, including signing of all documents and contracts necessary to carry out any decision, including investment decisions, made or approved by the Board; to negotiate and sign contracts with vendors, consultants, and payees of the system as required by contract or applicable law; and any other decision made or approved by the CEO pursuant to the delegation of authority granted by the Board to the CEO for such decisions.

RESPONSIBILITIES

Executive Owner: Chief Executive Officer

POLICY HISTORY

Date	Description
05-17-2023	Board approved new policy



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