

Introduction

The Board of Trustees has a duty to ensure that the day-to-day affairs of the System are in the hands of qualified management. This is accomplished by the Board's employment of a qualified Executive Director. When hiring a new Executive Director is necessary, the Board should act quickly to find a qualified replacement. Ability, integrity and relevant experience are the most important qualifications for the Executive Director. In turn, the Executive Director has a responsibility to the Board to ensure that the System is appropriately staffed and that the executive team reflects an appropriate delegation of duties, responsibilities, and redundancies to protect the interests of the System.

Emergency Succession and Temporary Absence

To protect the System from the sudden loss of Executive Director services and provide for the Executive Director's temporary absence, the Executive Director shall ensure that at least two members of the executive team (Deputy Executive Director, Chief Investment Officer, Chief Financial Officer, General Counsel, or HR Officer) are familiar with Board and Executive Director issues and processes and prepared, should the need arise, to serve as Acting Executive Director. The Executive Director shall periodically, and no less frequently than the Executive Director's annual evaluation, inform the Board of the members of the executive team who are qualified for the position of Acting Executive Director.

For planned short-term absences, the Executive Director may designate one or more of the executive team members as Acting Executive Director or Acting Co-Executive Directors.

In the event of a sudden loss of the Executive Director's services, the Board will select a member of the executive team to serve as the Acting Executive Director until such time as the Board selects and has in place a new Executive Director. In the unlikely event there is no qualified executive team member, the Board may designate another staff person, a trustee or a contracted individual as Acting Executive Director, so long as the action is not in violation of applicable laws.

Executive Succession

When hiring a new Executive Director, the Board shall act independently of sponsors or other outside influences and shall not delegate the selection and hiring processes except in accordance with this policy. Unless if by majority vote the Board declines to do so, the Board shall employ a search firm with recognized retirement system expertise to perform a national search for candidates. The Board Chair shall appoint a group of trustees to a Search Committee – subject to confirmation by the full Board – to review applications, conduct interviews of any or all finalists recommended by the Search Committee, and make the ultimate decision to hire the Executive Director. Only applicants who satisfy the job description criteria for the position of Executive Director shall be considered.

Executive Team and Staff Succession

The Executive Director is responsible for employing and developing the executive team (Deputy Executive Director, Chief Investment Officer, Chief Financial Officer, General Counsel, and HR Officer) and staffing the System. The Board recognizes that in many cases positive morale and greater expertise can be obtained when the Executive Director creates career development opportunities for staff members that desire new or greater responsibilities. The Executive Director shall keep the Board informed when developments occur that may require additional staffing or financial resources, or reductions of the same, to ensure the appropriate staffing of the System. Because the executive team frequently works closely with the Board, the Executive Director shall brief the Board and the Board Chair or Vice Chair on the status of vacancies in the executive team and the candidates under the Executive Director's consideration to fill such vacancies. However, the final hiring decision is the Executive Director's responsibility.