



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 18

MEETING DATE: October 18, 2023

SUBJECT: CEO Delegated Authority Policy for Personnel

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

RECOMMENDATION

Approve new policy to formalize the Chief Executive Officer's authority over SCERS' personnel matters.

PURPOSE

This item supports Strategic Management Plan goals regarding transparency, efficiency, and compliance with laws and regulations.

DISCUSSION

Earlier this year, as part of a regular review of policies and practices, Staff determined that the Board's longstanding delegation of authority to the CEO regarding staff personnel decisions should be clarified in a formal policy. Staff presented draft policies at the [April](#) and [May](#) Board meetings. Discussions with Board Members at those meetings led to a special meeting in September, at which the Board discussed prudent delegation concepts and governance issues with fiduciary counsel Harvey Liederman of Reed Smith LLP. The proposed policy incorporates those discussions in a concise delegation of authority to the CEO that is consistent with SCERS' historical practices and the Board's fiduciary responsibility.

ATTACHMENTS

- Board Order
- Proposed CEO Delegated Authority Policy for Personnel

Prepared by:

/S/

Jason R. Morrish
General Counsel

Reviewed by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
October 18, 2023

AGENDA ITEM:

CEO Delegated Authority Policy for Personnel

THE BOARD OF RETIREMENT hereby approve Staff's recommendation to approve new policy to formalize the Chief Executive Officer's authority over SCERS' personnel matters.

I HEREBY CERTIFY that the above order was passed and adopted on October 18, 2023 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES:

(Present but not voting)

James Diepenbrock
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, to appoint such administrative, technical and clerical staff personnel as are required to accomplish the necessary work of the Board.

POLICY

1. **Administration.** As the Board-appointed retirement administrator of SCERS, the CEO shall have exclusive authority to manage and control day-to-day operations of the organization, subject to the direction and oversight of the Board.

2. **Personnel Matters.** The CEO shall serve as the departmental appointing authority for SCERS for County personnel matters, as defined under Sacramento County Code Section 2.78.210, including the approval of all personnel decisions concerning SCERS' staff, consistent with applicable federal, state and County laws and policies. The CEO shall also have general authority over all SCERS' personnel matters, including but not limited to, recruiting, onboarding, managing, promoting, disciplining and terminating executive staff exempt from civil service, including Assistant Administrators, the Chief Investment Officer and General Counsel.
 - a. Notwithstanding the general authority delegated above, prior to the appointment of any member of the executive staff, the CEO shall review the proposed action with the Board.
 - b. Also notwithstanding the general authority delegated above, prior to the termination of any member of the executive staff, the CEO shall review the proposed action with the Board President, who may elect to have the matter placed on the agenda for consideration by the Board at an upcoming Board meeting.
 - c. The CEO shall report to the Board regarding any significant SCERS staffing developments at the next regularly scheduled Board meeting.
 - d. General Counsel shall report to the CEO for administrative and functional purposes and serve as legal advisor to the Board and SCERS staff in a manner consistent with his or her obligations under the California Rules of Professional Conduct.

AUTHORITY

California Government Code Sections 31522.1-31522.3, 31529.9, 31590
California Rules of Professional Conduct, Rule 1.13
Sacramento County Code Section 2.78.210

RESPONSIBILITIES

Executive Owner: Chief Executive Officer

POLICY HISTORY

Date	Description
10/18/2023	Board approved new policy