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**EXECUTIVE DIRECTOR  
TERMS OF REFERENCE**

**Introduction**

- 1) The Executive Director shall hold the position of Chief Executive Officer (CEO) or jointly hold the positions of CEO and Chief Investment Officer (CIO). The Executive Director, as the most senior executive of the Retirement System, will provide leadership for the Retirement System in implementing the programs necessary to achieve the mission, goals and objectives established by the Board; and will manage the day-to-day affairs of SFERS in accordance with the provisions of the Charter and all other applicable laws and regulations.
- 2) The Executive Director is the executive ultimately responsible for all the operations of SFERS. It is understood, however, that the Executive Director may not necessarily administer the operations directly, but will ensure proper delegation of duties to senior management and staff in a manner that maximizes the efficiency and effectiveness of SFERS.
- 3) The Executive Director will provide support to the Board and its committees on all matters before them. This shall include providing the Board and its committees with staff analysis and recommendations on all Board decisions and policies and assigning, as needed, one liaison staff member to each standing committee.
- 4) The Executive Director will be responsible for ensuring that all rules, regulations, and policies of the Board are properly implemented, with the exception of policies governing the conduct of the Board itself, Board committees and individual Board members, when the Executive Director is not delegated or does not have the authority to ensure such compliance.

**Duties and Responsibilities: Board Governance**

- 5) The Executive Director will assist the Board in its governance function by:
  - a) Communicating with the Board President on a timely basis regarding topics that may warrant Board education and/or action, including without limitation, providing a draft Board meeting agenda to the President at least one week prior to regular Board meetings with all items then expected to be on the agenda: No new items are to be added to the agenda thereafter without the President's approval, except that the Board may subsequently add agenda items as

provided by the Ralph M. Brown Act (Government Code Section 54950 et seq.) and the San Francisco Sunshine Ordinance (San Francisco Administrative Code Chapter 67);

- b) Providing a rolling 12 month calendar with anticipated agenda items in all regular Board packets;
  - c) Recommending Board policies to ensure appropriate governance practices;
  - d) Coordinating new Board member orientation and Board fiduciary and related education regarding SFERS in accordance with the Board Code of Fiduciary Conduct, Ethics and Governance Policy and the Board Education and Travel Policy;
  - e) Coordinating Board member travel; and
- 6) The Executive Director shall, from time to time, recommend to the Board that obsolete provisions of the Administrative Code be eliminated, or that provisions be amended to reflect Charter amendments and/or new or revised State legislation.
- 7) The Executive Director will provide a brief report in open session portion of each regular Board meetings to update the Board on key SFERS metrics, including among others (i) progress on the Executive Director's annual business objectives, (ii) staffing update, (iii) stakeholder relations, and (iv) other key performance indicators (dashboard). The Executive Director's report may, but need not, be accompanied by a written report to the Board.

**Duties and Responsibilities: Investments**

- 8) If the Executive Director holds only the CEO position, the Executive Director will employ a Chief Investment Officer with appropriate training and experience in institutional investing. The Executive Director will direct and oversee the Chief Investment Officer in all investment functions of the System including, but not limited to:
- a) Recommending investment policies and strategies to the Board;
  - b) Managing investment staff;
  - c) Performing investment due diligence; and
  - d) Recommending the appointment of investment managers and other advisors in accordance with the Investment Policy Statement and Service Provider Selection Policy.
- 9) If the Executive Director holds the positions of CEO and CIO, the Executive Director will be responsible for all investment functions of the System including, but not limited to:
- a) Recommending investment policies and strategies to the Board;
  - b) Managing investment staff;

- c) Performing investment due diligence; and
- d) Recommending the appointment of investment managers and other advisors in accordance with the Investment Policy Statement and Service Provider Selection Policy.

**Duties and Responsibilities: Benefit Administration and Operations**

- 10) The Executive Director will employ a Chief Operating Officer with appropriate training and experience in operations and the administration of retirement systems, and will approve a job description for said individual that clearly defines the responsibilities of the position.
- 11) The Executive Director will direct and oversee the Chief Operating Officer in the performance of all administrative and operational activities of the System including, but not limited to:

**Administration**

- a) Developing and recommending to the Board all board-level policies necessary to ensure effective administration of member benefits;
- b) Managing administrative staff involved in the delivery of service to plan members and in the operations of the System;
- c) Ensuring effective and timely communications with members and stakeholders on matters relating to the administration of SFERS, including surveys and focus groups as appropriate.

**Operational**

- d) Developing and recommending an annual Strategic Plan to the Retirement Board;
- e) Recommending the appointment of non-investment service providers in accordance with the Service Provider Selection Policy;

**Financial**

- f) Developing an annual Operating Budget, as well as applicable departmental budgets, and presenting them to the Retirement Board for approval;
- g) Executing agreements and authorizing payments related to the administration of SFERS and the appointment of all service providers, consistent with the Operating Budget and internal controls of SFERS; and
- h) Ensuring appropriate financial and operational controls are in place to ensure the safekeeping of System assets and the effective administration of the System. This shall include but is not

limited to the co-ordination of the financial audit, actuarial audit, and other audits as appropriate.

**Duties and Responsibilities: Human Resources**

- 12) The Executive Director will hire, direct, supervise and may terminate senior executives of the System, and will oversee the hiring, management, and termination of staff.
- 13) Notwithstanding section 11 above, the Actuarial Services Coordinator will be subject to Retirement Board hiring and termination, and the Board, with the Executive Director, will co-direct the Actuarial Services Coordinator in the coordination of actuarial valuations and experience studies and in the performance of other actuarial functions necessary to properly administer the System.
- 14) The Executive Director will ensure ongoing assessment of the human resource needs of SFERS and the development of appropriate human resource programs and procedures.

**Duties and Responsibilities: Legislation and Litigation**

- 15) The Executive Director will carry out the following duties with the assistance of legal counsel and staff:
  - a) Monitor trends regarding legislation that may have a significant impact on SFERS;
  - b) Report to the Board on any legislative proposals that could significantly affect the System, and recommend whether the Board should take any action;
  - c) Manage and coordinate, with legal counsel, all legal proceedings involving SFERS; and
  - d) Provide recommendations to the Board concerning settlement or other legal action involving SFERS.

**Duties and Responsibilities: Service Providers**

- 16) The Executive Director will:
  - a) Appoint those service providers for which the Board has not retained appointing authority, in accordance with the Service Provider Selection Policy; and
  - b) Regularly monitor the performance of all service providers, with the exception of the Consulting Actuary, and report to the Retirement Board on any notable deviations from service level expectations.

**Monitoring and Reporting**

- 17) The Executive Director will ensure that monitoring and control mechanisms are in place to ensure that policies and procedures are properly implemented and that the operations of the System are effective.
- 18) The Executive Director will provide the Board with relevant, appropriate, and timely information to enable it to properly carry out its oversight responsibilities. Furthermore, the Executive Director will apprise the Board in a timely manner of all significant issues, problems, or developments pertaining to SFERS, and provide recommended courses of action as appropriate.

**Review**

- 19) The Board shall review these terms of reference at least every five years.

**History**

- 20) These terms of reference were adopted by the Board on February 10, 2004. These terms of reference were reviewed and amended by the Board on July 11, 2006; January 11, 2011, May 13, 2015, December 13, 2017, September 8, 2021, May 18, 2023, and July 20, 2023.