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## **EXECUTIVE DIRECTOR PERFORMANCE EVALUATION POLICY**

### **Background and Purpose**

- 1) The purpose of this policy is to provide a documented process that the San Francisco Retirement Board ("Board") will follow when assessing the Executive Director's performance and providing feedback to the Executive Director regarding their performance.

### **Roles and Responsibilities**

- 2) The Personnel Committee will be primarily responsible for implementing and coordinating both the Evaluation Survey and informal mid-year evaluation sessions provided to the Executive Director.
- 3) Evaluating the performance of the Executive Director is a key duty of the Board and each of its Trustees. Accordingly, the process should be designed to include the active participation of all Trustees providing input into the Evaluation Survey.
- 4) The Personnel Committee may request input from any individuals or entities who report to the Executive Director in connection with the Evaluation Survey.

### **The General Management Objectives**

- 5) Periodically, and at least annually in or about June, the Executive Director will recommend to the Personnel Committee a set of General Management Objectives within the following seven core areas identified in the Executive Director Terms of Reference, each of which will be listed in the Evaluation Survey:
  - a) Governance
  - b) Investments
  - c) Benefits Administration and Operations
  - d) Human Resources
  - e) Legislation and Litigation
  - f) Service providers
  - g) Monitoring and Reporting
- 6) The Evaluation Survey shall also include an assessment of the Executive Director's performance with respect to their Leadership, Ongoing Responsibilities, and an Overall Evaluation. The following criteria will be used to assess the Executive Director's Leadership:
  - a) Vision and Strategy;

- b) Maximizing Talent
  - c) Leading Change;
  - d) Technical Expertise; and
  - e) Judgment and Decision Making.
- 7) The General Management Objectives, as a whole, shall be worth 50% of the overall performance evaluation on the Evaluation Survey, Leadership will be 30% of the evaluation, and Ongoing Responsibilities will be 20% of the evaluation.
- 8) The Evaluation Survey may be modified over time, as required, subject to the Personnel Committee's approval.
- 9) The Executive Director will prepare an annual Self-Assessment for the Board which may include
- a) significant accomplishments or contributions and how these align with the annual General Management Objectives, and
  - b) significant challenges during the year.
- 10) Not later than June 15th of each year, if feasible, either the Chair of the Personnel Committee or a designated third-party will provide Board members with copies of the Evaluation Survey and Self-Assessment, and they will have two weeks to complete and return the Survey to the Chair of the Personnel Committee and/or to a designated third-party.

#### **Evaluation Results and Materials**

- 11) The Chair of the Personnel Committee will ensure that the results of the Evaluation Survey are tabulated and summarized on a confidential basis into a Summary Evaluation. Either the Chair of the Personnel Committee or a designated third-party will provide Copies of the Summary Evaluation to the Executive Director and Personnel Committee at least one week before the Personnel Committee meeting, which should occur during July if feasible. The Executive Director will have an opportunity to discuss, in executive session, their performance evaluation with the Personnel Committee. After the discussion, the Personnel Committee may ask the Executive Director to leave the meeting to allow the Personnel Committee to conduct further discussions regarding the evaluation.
- 12) The Personnel Committee will incorporate the results of the Evaluation Survey into the overall performance evaluation of the Executive Director.
- 13) The Chair of the Personnel Committee will present to the Board, for approval, the results of the Evaluation Survey and the overall evaluation of the Executive Director.
- 14) The Human Resources Director of SFERS will maintain a file containing all relevant documents pertaining to the Executive Director Evaluation, including the evaluation criteria, board member evaluation forms, and the final performance evaluation, subject to document retention policies.

### **Compensation and Bonuses**

- 15) For any Executive Director hired before January 1, 2023, the Executive Director's compensation is set by the City. Bonuses may be determined in accordance with the rules of the City's Pay-for-Performance Program or other programs or policies that may be established by the City. Any Executive Director hired on or after January 1, 2023, shall be employed under an individual contract. Under the contract, the Executive Director's compensation shall be comparable to the compensation of executive directors of public retirement systems in the United States who perform similar functions and that the Board, after an independent survey, determines most closely resemble the Retirement System in size, mission, and complexity. In addition, the Board may provide an incentive compensation bonus plan for the Executive Director based on performance goals established by the Board.

### **Policy Review**

- 16) The Retirement Board will review this policy at least every five years to ensure it remains relevant and appropriate.

### **Policy History**

- 17) This policy was adopted by the Retirement Board on April 2, 2002. This policy was reviewed and amended by the Retirement Board on September 14, 2004; October 4, 2006; September 11, 2007; June 9, 2009; December 13, 2017; June 9, 2021; May 18, 2023 and December 13, 2023.