

CHARTER FOR THE EXECUTIVE DIRECTOR

INTRODUCTION

1. The Board will appoint an Executive Director who will be directed by, serve at the pleasure of, and may be dismissed at the will of, the Board.
2. The Board has authorities, duties, and responsibilities as set forth in PERA Law and reflected in the Board's Charter.
2. The Executive Director is the most senior executive of PERA and will implement policy and manage the operations of PERA, in accordance with PERA Law, PERA Rules, and subject to the oversight of the Board. The Executive Director will accept any responsibilities, duties, and authorities delegated by the Board.
3. The Board recognizes that the Executive Director may delegate any of the duties listed in this Charter to staff. In doing so, however, the Executive Director retains responsibility for such duties.
3. As per PERA Law Section C.R.S. § 24-51-205(6)(a) of PERA Law, the Board may delegate any of its responsibilities, duties, and authorities as set forth in PERA Law to the Executive Director or designated PERA agents.
4. The Executive Director will accept any responsibilities, duties, and authorities delegated by the Board.
5. The Board acknowledges that the Executive Director may delegate any duties any of the duties listed in this Charter to staff. In doing so, however, the Executive Director retains responsibility for such duties.
6. The Executive Director may be referred to as Chief Executive Officer (CEO) and use that title as appropriate.

Commented [AM1]: Created clarity on board authority and delegation to the Executive Director in this section.

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Commented [AM2]: Added to create alignment with the current recruitment.

Commented [AM3]: Recommend that an Authority section be added to all PERA charters.

AUTHORITY

7. The management of PERA is vested in the Executive Director. The Executive Director is the most senior executive and administrative head of PERA. The Executive Director will operate PERA in accordance with PERA Law, PERA Rules, and subject to the oversight of the Board. As such, the Board delegates to the Executive Director authority to act finally unless otherwise noted within the Governance Manual.

DUTIES AND RESPONSIBILITIES

LEADERSHIP

- ~~a. In collaboration with the Board, develop and recommend to the Board the strategic plan;~~
- ~~b. The Executive Director will provide leadership to PERA in achieving its Vision, Mission, goals, and objectives strategic plan.; In doing so, the Executive Director may solicit advice and counsel from the Board, the Board Chair, or individual Trustees.~~
- ~~a.c. Build and sustain the culture of the organization;~~

~~b. POLICY ANALYSIS~~

~~e. The Executive Director will develop all internal organizational policies necessary for the effective and efficient management of the organization. This will involve working with the Board and its committees to continually identify issues requiring Board policy, conducting the necessary analysis of such issues, and providing clear and well-supported policy recommendations for the Board's consideration.~~

GOVERNANCE AND BOARD OPERATIONS

5.9. The Executive Director will:

- a.** Fulfill the role of Secretary to the Board and Chief Executive Officer of PERA;
- b.** Assist the Board Chair with the coordination of Board meetings, agendas, minutes, schedules, and presentations [for Board and committee meetings](#);
- c.** ~~Serve as staff liaison to the Executive Committee and~~ Assign staff liaisons to each other Board committees;
- d.** ~~Prepare for the Executive Committee's approval, trustee requests pertaining to international travel and education;~~
- e.** Assist the Board in ensuring its meetings are conducted in accordance with the [Colorado Open Meetings Law](#);
- f.** Ensure the timely preparation and distribution of agendas and related materials for Board and committee meetings;
- g.** Coordinate the implementation of the [Board Education Policy](#);
- h.** Conduct correspondence of the Board;
- i.** Advise the Board on legislative proposals affecting PERA;
- j.** ~~Approve the applications of political subdivisions or state agencies related to affiliation with PERA;~~
- k.** ~~Approve or deny international travel requests by Trustees;~~
- l.** ~~Approve reimbursement to Trustee employers for temporary employees required while Trustees are on PERA business;~~
- m.** Review and approve Trustee requests for waivers or substitutions to educational requirements under the [Board Education Policy](#), and proposed Trustee independent study plans;
- n.** Review Trustee compliance with the requirements set out in the [Board Education Policy](#), and
- o.** Review any exceptions to the [Board Expense Reimbursement Policy](#),
~~Assign any state agency, its political subdivisions, any school district, public entity or court to~~

Commented [AM4]: It is unusual for an executive director to have a voting position on a board committee; therefore, recommend the Executive Director play a liaison/supporting role to the Executive Committee.

Commented [AM5]: Addressed by broader responsibilities under Benefits & Administration section.

Commented [AM6]: Per Nov. 2023 Governance Committee discussion, we relocated these responsibilities from the Executive Committee charter and assigned to the ED.

6.10. The Executive Director will:

- ~~a. -Ensure that the investment program is appropriately resourced and supported consistent with PERA Law, PERA Rules, and the policy objectives of the Board; and~~
- ~~b. Delegate to the Chief Investment Officer the staff responsibilities set forth in the Statements of Investment Policy.~~
- ~~a. Recommend to the Investment Committee statements of investment policy and philosophy for the Combined Investment Fund, and review the statement with the Board at least biennially;~~

BENEFIT ADMINISTRATION

7.11. The Executive Director will:

- ~~a. Interpret provisions of the PERA plans and applicable laws and rules and determine the rights of, and payments to, PERA Participants;~~
- ~~a. Approve retirement applications of PERA Members, in accordance with PERA Law and PERA Rules;~~
- ~~c. Establish written procedures for the administration of the PERA Plans;~~
- ~~e.d. Require Establish requirements for PERA Participants and employers to furnish information necessary to administer the PERA Plans; and~~
- ~~f. Interpret provisions of the PERA plans and applicable laws and rules and determine the rights of, and payments to, PERA Participants;~~

Commented [AM9]: Deleted subitems are covered in law or rules or duplicative of other responsibilities itemized in this section. Suggest removal.

Commented [AM10]: Changed per Nov. 2023 Gov. Committee suggestion.

Commented [AM11]: Moved to item a in this section.

12. The Executive Director will:

- ~~a. Manage the day to day operations of PERA in accordance with the policies of the Board;~~
- ~~c. Recommend to the Board the Mission and Vision statements of PERA, and the strategic plan;~~
- ~~e.c. Make all necessary operational expenditures, consistent with the operating budget and internal controls approved by the Board;~~
- ~~f. Execute contracts in accordance with the policies of the Board;~~
- ~~g.e. Establish appropriate operational controls;~~
- ~~h.f. Ensure the appropriate design, purchase, implementation, and maintenance of all technologies required to efficiently manage and protect the data, information, and records of PERA;~~
- ~~i.g. Recommend appropriate insurance coverage to protect against liability which arises out of, or in connection with:
 - ~~I. The performance of duties by any Trustee or employee of PERA; and~~
 - ~~II. Business risks faced by PERA.~~~~
- ~~j.h. Recommend the location of the main office and any secondary offices to the Board for approval, and ensure the proper maintenance, safety, and adequacy of all of PERA's physical premises; and~~
- ~~k.i. Implement applicable laws, rules, and court decisions.~~

Commented [AM12]: Addressed under Authority

Commented [AM13]: Moved to leadership

RISK MANAGEMENT AND COMPLIANCE

13. The Executive Director will:

- ~~a. Assist the Board in developing policies to articulate its views on risks and risk~~

Commented [AM14]: Addition per Mosaic best practices report.

~~management's risk appetite;~~

- ~~b. Manage PERA's risk in alignment with the Board's risk policies;~~
- ~~c. Ensure a framework of risk management and compliance exists within the organization and it is appropriately functioning; and~~
- ~~d. Ensure PERA compliance with applicable laws and regulations and maintain the tax qualified status of PERA's plans.~~

FINANCIAL AND ACCOUNTING PRACTICES

~~8.14.~~ The Executive Director will:

- ~~a.e.~~ Account for ~~and deposit~~ all payments made and disbursements issued by PERA;
- ~~b.f.~~ Ensure appropriate accounting policies and internal controls are in place to safeguard the assets of PERA;
- ~~e.g.~~ Recommend the Internal Audit Director's job description, selection criteria, and compensation levels to the Audit Committee for its approval, and in the event of a vacancy, provide a pool of qualified candidates for the Audit Committee's consideration;
- ~~d.h.~~ ~~Set performance goals and evaluation criteria for the Internal Audit Director with Support the~~ Support the Audit Committee ~~input in its~~ review and approval of the internal audit plan and budget, supervise the Internal Auditor, and recommend to the Audit Committee any disciplinary action or termination; and
- ~~e.i.~~ Compile the *ACFR*, and present it to the Board for approval of its release; ensure the publication of the *ACFR* and ~~submit, as required, to appropriate parties, its submission to the Governor of Colorado and the General Assembly.~~

Commented [AM15]: Suggested language to better align with Audit Committee charter

Commented [AM16]: Reflects outcome of Nov. 2023 Gov. Committee discussion to streamline.

ACTUARIAL PRACTICES

~~9.15.~~ The Executive Director will:

- ~~f.j.~~ Advise the Board with respect to the actuarial assumptions and methodologies recommended by the Board's actuaries; and
- ~~g.k.~~ Advise the Board with respect to PERA's Annual Actuarial Valuation Report; submit reports to the Legislative Audit Committee, the Senate Finance Committee, the House Finance Committee, the Pension Review Subcommittee and the Joint Budget Committee of the General Assembly and the Governor of Colorado, together with any recommendations of the Board concerning such liabilities that have accrued.

HUMAN RESOURCES

~~10.16.~~ The Executive Director will:

- ~~h.l.~~ Recommend to the Compensation and Budget Committee a total compensation philosophy statement for PERA ~~and set compensation in alignment with the total compensation philosophy statement for all staff except for the Executive Director and Internal Audit Director;~~
- ~~i.m.~~ Establish appropriate human resource programs and procedures for management and staff, including appropriate compensation, succession, education, training, and development plans;
- ~~j.n.~~ Discuss management succession planning with ~~the Board Evaluation Committee~~ at least

Commented [AM17]: Clarifying ED's responsibility to set compensation for all staff except those positions listed.

annually; and

- ~~10.~~ Be responsible for selecting, hiring, training, terminating, and disciplining staff, with the following exceptions:
- I. The termination of the General Counsel will be reviewed and approved by the Board; and
 - II. The Internal Audit Director will be appointed and terminated by the Audit Committee.

Commented [AM18]: Per Mosaic report, succession planning conducted at the full Board level

PLAN PARTICIPANT MEMBER AND STAKEHOLDER COMMUNICATIONS

- ~~17.~~ The Executive Director ~~will~~ **is** responsible for the ~~Development~~ and ~~timely~~ implement ~~through a variety of media,~~ ~~ation of~~ communication strategies for all PERA stakeholders including ~~Participants members, employers, the General Assembly and others, and will~~
- ~~m.~~ Deliver effective and timely communications with PERA Participants, employers, the General Assembly, and other stakeholders on matters relating to the operation and administration of PERA;

Commented [AM19]: Added per Governance Committee request.

Serve as the spokesperson for PERA and, as necessary, coordinate with the Board ~~Chair, or if applicable, the alternate spokesperson designated by the Board Chair~~ **spokesperson**; and

APPOINTMENTS

- ~~11-18.~~ The Executive Director will appoint and may remove all service providers except those appointed by the Board, as listed in the **Board of Trustees' Charter**. The Executive Director will recommend to the Board, or the designated Board committee, candidates for Board-appointed Service Provider positions.
- ~~12.~~ ~~In consultation with the General Counsel, the Executive Director will appoint and may remove external legal counsel, excluding the Board's fiduciary counsel.~~

Commented [AM22]: Addressed under 15; recommend remove.

CHARTER REVIEW AND HISTORY

- ~~14-20.~~ This charter will be reviewed at least every five years.
- ~~15-21.~~ The Board adopted this charter on November 16, 2001. The Board approved changes to this Charter on February 18, 2005, February 16, 2007, July 1, 2012, January 15, 2016, January 1, 2020, on January 1, 2022 **and on (Date TBD)**.