



Board Governance Committee Agenda Item 5

April 17, 2017

Item Name: Annual Review of CEO Delegation

Program: Board of Administration

Item Type: Action

Recommendation

Approve revisions to the Chief Executive Officer (CEO) Delegation Resolution.

Executive Summary

Annually, the Board Governance Committee reviews the CEO Delegation Resolution. This year's review includes a revision to clarify the CEO's delegated authority regarding Public Agency contract terminations.

Strategic Plan

This item supports CalPERS' Strategic Plan goal to cultivate a risk-intelligent organization.

Background

On April 20, 2016, the Board Governance Committee conducted its last annual review of the CEO Delegation. CalPERS team proposed changes to the CEO delegation, which were approved by the Board of Administration. On September 21, 2016, CalPERS new CEO, Marcie Frost, was delegated authority by the Full Board, without further changes.

Board of Administration approval is required to change the authority delegated to the CEO.

Analysis

This agenda item makes technical clarifications to better align the CEO delegation of authority with the Board's retained authority regarding termination of public agencies.

Budget and Fiscal Impacts

Not applicable.

Benefits and Risks

Staff's recommendation clearly and effectively aligns the CEO Delegation with Board direction and industry best practice.

The risk of not adopting this recommendation is that the CEO will not have clearly documented authority to act on behalf of the Board in executing her responsibilities as CEO. This will also further impact her ability to delegate authority to her direct reports.

Attachments

Attachment 1 – CEO Delegation Resolution (with tracked changes)

Attachment 2 – CEO Delegation Resolution (without tracked changes)

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Interim Chief Financial Officer