



Board Governance Committee

Agenda Item 8a

March 16, 2021

Item Name: Discussion of Board's Shared Responsibility for CIO Personnel Decisions

Program: Board Governance

Item Type: Information

Executive Summary

This agenda item provides the Committee an opportunity to discuss how the Board's shared responsibility for CIO personnel decisions should be implemented.

Background and Analysis

At its September 2020 meeting the Committee considered certain personnel issues relating to the Chief Investment Officer position. Following a substantive discussion, the Committee voted to amend the Board Governance Policy to memorialize that the responsibility for hiring, evaluating and terminating the CIO would be shared between the CEO and the Board, and the full Board approved the change. Mindful of the need for expediency to begin recruiting for the vacant CIO position and in furtherance of this new shared responsibility, the Board President appointed two subcommittees to assist the CEO with interviewing candidates for the CIO position. This recruitment is currently in process, and will culminate with the final candidate being brought before the full Board.

Meanwhile, at its February 2021 meeting, the Performance, Compensation and Talent Management Committee reviewed its delegation, as required annually by the Board Governance Policy, and approved a change that – if approved by the Board – would place the shared responsibility for CIO personnel decisions with that committee (PCTM). However, several Board members expressed concern about whether this is the best place for the delegation to reside. This agenda item enables the Committee and other Board members to consider this question ahead of the April 2020 Board meeting at which all committee delegations (except the one for the Investment Committee) will come to the Board for approval.

The two most obvious options for consideration would seem to be (1) assigning the shared responsibility to the PCTM, as the PCTM delegation currently contemplates, or (2) maintaining the shared responsibility with the full Board. There may be other options, or variations of these options, as well.

Benefits and Risks

For committee discussion.

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