

SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION
CHIEF EXECUTIVE OFFICER PERFORMANCE EVALUATION POLICY

I. INTRODUCTION

- A. One of the most important functions of the Board is the oversight and supervision of the Chief Executive Officer. In order to ensure that this function is carried out effectively, the Board believes that formal evaluation procedures and practices are required.
- B. The specific objectives of this policy are to:
 - 1. Assist the Board in establishing and communicating clear and meaningful goals and performance targets for the benefit of the Chief Executive Officer; and
 - 2. Ensure the Chief Executive Officer receives useful and objective performance feedback from the Board on a periodic basis.

II. GENERAL GUIDELINES

- A. The Board will be responsible for annually evaluating the performance of the Chief Executive Officer.
- B. The Chair will coordinate and oversee the Chief Executive Officer evaluation and present the results of the evaluation to the Board.
- C. The evaluation will generally be conducted in August and September of each year.
- D. The results of the Chief Executive Officer's performance evaluation will be presented to the Board in executive session and the Chief Executive Officer will be invited to participate.
- E. Procedures for conducting the evaluation are contained in Appendix 1.

III. EVALUATION CRITERIA

- A. Evaluation criteria may include but are not limited to:
 - 1. Achievement of appropriate performance targets for SDCERA;
 - 2. Implementation of the annual business plan;
 - 3. Implementation of board policies and associated reporting to the Board;
 - 4. Compliance with the policy on the Role of the Chief Executive Officer;
 - 5. Leadership, staff and related qualities and skills; and
 - 6. Other criteria the Board may determine.
- B. The Board will attempt to ensure that the criteria:
 - 1. Are objective in nature and, for the most part, measurable; and

- 2. Pertain only to outcomes over which the Chief Executive Officer has a reasonable degree of control.
- C. The Board may use evaluation forms or surveys to facilitate the receipt of trustee input on all of the above criteria.

REVIEW

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

HISTORY

April 1, 2004	Adopted, effective July 1, 2004
December 6, 2007	Amended
April 5, 2012	Revised
August 17, 2017	Revised, effective immediately

APPENDIX I

EVALUATION PROCESS AND TIMELINES

1. The timelines herein are guidelines only. The Chair may adjust the timing of the evaluation, as necessary, provided the evaluation is completed within three (3) months of the end of the evaluation period.
2. The evaluation period for the Chief Executive Officer shall generally coincide with the fiscal year of the Association.
3. The Chief Executive Officer will meet with the Chair each year to discuss and establish:
 - a) The proposed evaluation criteria for the Chief Executive Officer for the year in question and their relative weights; and
 - b) Any proposed evaluation forms or surveys to be used in evaluating the Chief Executive Officer for the year in question.
4. At the beginning of each fiscal year, concurrent with the evaluation process for the prior year, the Chair will solicit input from all trustees as to detailed evaluation criteria and metrics for such criteria for the following year.
5. The Chair will then consolidate the input from all trustees into a final set of criteria and metrics, which will be presented to the Chief Executive Officer for review and comment, and approved by the Board. At the time the Chair presents the final set of criteria and metrics to the Board for approval, copies of the comments of other trustees, without attribution, will be provided to the trustees to assist in the discussion of the final criteria and metrics.
6. At the end of the evaluation period, the Chief Executive will complete a self-evaluation report. The Chief Executive Officer's self-evaluation report is designed to assist the Board in the evaluation process. It should describe the extent to which the Chief Executive Officer believes the evaluation criteria were met over the past year, as well as all relevant supporting data. The report may also include any additional information the Chief Executive Officer believes should be considered by the Board in its evaluation.
7. Each fiscal year, the Chair will distribute an Evaluation Package to each member of the Board. The Evaluation Package will include the performance criteria and metrics established by the Board at the beginning of the year in question, the Business Plan or summary thereof, the Chief Executive Officer's self-evaluation report, evaluation forms and/or surveys developed by the Chair, based on the established criteria and metrics, and any other necessary supporting documentation and information.
8. The Chair will prepare a draft review based on the input received, which will be presented to the Board with a summary of all of the trustees' responses to the evaluation forms and/or surveys. The Chair's draft letter will be discussed by the Board, and a final review prepared.

9. The final review will be discussed by the Board with the Chief Executive Officer. Upon completion of the Board's discussion, the Chair and the Chief Executive Officer will sign the written summary evaluation. The Chair will cause this to be placed in the Chief Executive Officer's personnel file and will ensure that all copies of the completed Evaluation Forms received from members of the Board are destroyed.
10. The Board shall treat the Evaluation Package and the draft and final reviews as confidential.
11. The Board's discussion of the Chief Executive Officer's performance and its discussion with the Chief Executive Officer will be held in executive session.
12. The performance evaluation summary will include a recommendation as to whether the Chief Executive Officer is in good standing or is to be placed on probation. If the Board places the Chief Executive Officer on probation, the Chair will meet with the Chief Executive Officer every three (3) months to discuss his or her performance during the preceding quarter. The results should be reported to the Board in executive session and at the next regular Board meeting following the executive session.