

**Charter for the Executive Director
of the
Municipal Employees' Retirement System (MERS)**

A. Policy

1. The executive director is the senior executive of MERS and serves at the pleasure of the Board of Trustees (Board).
2. The powers and duties delegated by the Board to the executive director are set out in this charter and related charters and policies.

B. Duties and Responsibilities

1. General

The executive director will

- a. Act in the best interest of MERS consistent with fiduciary duty standards.
- b. Serve as the administrative director as described in R.S. 11:1824.
- c. Be responsible for managing the day-to-day operations of MERS, delegating as appropriate.
- d. Solicit advice and counsel from the Board and individual trustees as necessary.
- e. Always support the Board in discharging its duties.
- f. Serve as the custodian of public records held by MERS.
- g. Ensure the accurate and timely delivery of benefits to members and beneficiaries, in accordance with applicable laws.
- h. Ensure delivery of consistently high standards of quality to members and beneficiaries.
- i. Serve as the representative of MERS to the Louisiana Municipal Association.

2. Governance and Board Operations

The executive director will

- a. Recommend to the Board for approval or amendment, as necessary, the following:
 - i. Charters or policies describing the roles and responsibilities of the Board, its committees, officers, and the executive director;
 - ii. Administrative rules; and
 - iii. Policies to ensure appropriate governance practices on the part of the Board.
- b. Oversee the duties and responsibilities performed by the secretary to the Board.
- c. Coordinate a trustee education program to assure compliance with the statutory mandate for education.

3. Investments

The executive director, through the chief investment officer (CIO), will

- a. Present the Board with sound investment philosophy and policies.
- b. Conduct all necessary due diligence for selection of investment consultant(s) and managers.

- c. Recommend actions to protect shareholder rights for consideration.
- d. Maintain records of investments as related to correspondence and contractual information.

4. Funding

The executive director will recommend to the Board for approval, and for submission to the Public Retirement Systems Actuarial Committee (PRSAC), the actuarial valuation and actuarial assumptions included in the valuation, upon the advice of the actuary.

5. Finance and Operations

The executive director, through the chief financial officer (CFO), will

- a. Have the authority to make all necessary operational expenditures, consistent with operating budgets, policies, and internal controls, and in accordance with law.
- b. Develop and recommend to the Board an operating and capital expense budget.
- c. Ensure that appropriate internal controls are in place.
- d. Maintain records of investments as related to financial information.
- e. Ensure that external audits are performed annually.

6. Legal and Legislation

The executive director will

- a. Monitor legal actions involving MERS, keeping the Board apprised of such actions, and where necessary, obtaining board approval before undertaking such actions.
- b. Monitor proposed changes in state or federal laws, regulations, and rules that may have a significant impact on MERS and report to the Board, as appropriate.
- c. Analyze and evaluate proposed legislation and develop and recommend to the Board an official position consistent with the fiduciary responsibility of the Board.
- d. Report to the Board on the disposition of proposed legislation.
- e. Recommend to the Board changes to MERS legislation that are necessary to facilitate more efficient benefit or investment administration.
- f. Report to the Board on legislative committee meetings with agenda topics impacting MERS.

7. Human Resources

The executive director will

- a. Consistent with the organizational chart approved by the Board, recruit, hire, and retain staff necessary to effectively manage MERS.
- b. Provide necessary training and resources to assist staff in performing duties.
- c. Require annual performance evaluations for staff.
- d. Assist the Personnel Committee, as requested, in gathering information and conducting salary surveys.

8. Key Appointments

The executive director will

- a. Appoint vendors other than those selected by the Board in accordance with its Charter.
- b. Recommend to the Board for ratification candidates for the chief financial officer (CFO) and chief investment officer (CIO) positions.

9. Communications

The executive director will serve as spokesperson for MERS, unless the Board designates a trustee as spokesperson, consistent with the Board's Charter.

10. Monitoring and Reporting

The executive director will

- a. Ensure that the Board is provided with relevant, appropriate, and timely information to carry out its monitoring and oversight responsibilities.
- b. Review the effectiveness of the investment performance of MERS.
- c. Review the service quality levels of MERS.
- d. Monitor and evaluate the activities and performance of senior management and vendors.
- e. Ensure that MERS operates within applicable laws, rules, and policies.

11. Performance Evaluation

The executive director will cooperate with the Personnel Committee and the Board in the annual review of the director's performance and will make any adjustments recommended by the Committee and/or Board.