



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
77 K Street, NE Washington, DC 20002

July 17, 2014

MEMORANDUM FOR BOARD MEMBERS KENNEDY, BILYEU, MCCRAY, JONES
AND JASIEN

FROM: GREG LONG
Executive Director

SUBJECT: Executive Director Succession Plan

FERSA allocates the decision of hiring the FRTIB's Executive Director (ED) to the majority vote of the five presidentially-appointed Members of the Board. The sole statutory guideline related to this hire is that the Executive Director must have substantial experience, training, and expertise in the management of financial investments and pension benefit plans. Because FERSA makes clear that the Board need not follow Federal competitive service rules, the Board has significant flexibility in how it can execute its duty to fill the ED role.

The Board has appropriately identified the need to have a succession plan in place prior to any event which may require the hiring of a new Executive Director. Attached is a draft plan that the Board members may adopt or modify as they see fit. Though provided in draft from my office, because this plan could aid the Board Members in executing their duty under FERSA, it is important to emphasize that the succession plan is a Board Member policy as opposed to an FRTIB policy and must be approved and adopted by the Board.

Separate and distinct from the attached plan are the policies and practices that the FRTIB engages in to ensure that executive leadership talent is continually nurtured and available when needed. This effort, which is still being defined, will identify the processes the FRTIB will employ for strategic leadership development to enable continuous long-term succession planning. We will provide greater detail on these processes when complete.

Emergency Executive Director Succession Plan

Purpose

The purpose of this Emergency Executive Director Succession plan is to outline the process the FRTIB Board Members will follow to ensure succession of leadership to the position of Executive Director in the event that the Executive Director dies, resigns, or is otherwise separated from Agency service.

Temporary Absence (ED Driven Action)

In the event that the Executive Director (ED) is temporarily unable to perform the functions of the office due to leave, illness or incapacitation, the ED has executed a standing delegation to the Chief Operating Officer, Deputy Executive Director of all authorities, functions and duties of the Executive Director in an acting capacity. The Chief Operating Officer, Deputy Executive Director will also continue to carry out his/her day-to-day responsibilities for the management of the agency and TSP operations in addition to the duties authorized under his/her acting authority.

Permanent Absence (Board Member Driven Action)

In the event a permanent ED absence occurs, the standing policy of the Board members shall be to:

1. Leverage the existing delegation of duties and appoint the Chief Operating Officer, Deputy Executive Director as the Acting Executive Director;
 2. If necessary, at a public meeting, appoint a different Acting Executive Director by majority vote of the members;
 3. Following confirmation of a permanent absence in the Executive Director position, request the Acting ED, through the FRTIB Human Resources Officer, initiate work to engage an executive search firm to find a permanent replacement.
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