

97B.4 Administration of chapter — powers and duties of system — immunity.

1. *Chief executive officer.* The system, through the chief executive officer, shall administer [this chapter](#). The chief executive officer shall also be the system's statutory designee with respect to the rulemaking power.

2. *General authority.*

a. The system may adopt, amend, waive, or rescind rules, employ persons, execute contracts with outside parties, make expenditures, require reports, make investigations, and take other action it deems necessary for the administration of the retirement system in conformity with the requirements of [this chapter](#), the applicable provisions of the Internal Revenue Code, and all other applicable federal and state laws. The rules shall be effective upon compliance with [chapter 17A](#).

b. The system may delegate to any person such authority as it deems reasonable and proper for the effective administration of [this chapter](#), and may bond any person handling moneys or signing checks under [this chapter](#).

c. The budget program for the system shall be established by the chief executive officer in consultation with the board and other staff of the system and shall be compiled and submitted by the system pursuant to [section 8.23](#).

d. In administering [this chapter](#), the system shall not be a participating agency for purposes of [chapter 8B](#).

3. *Personnel.*

a. *Chief investment officer.* The chief executive officer, following consultation with the board, shall employ a chief investment officer who shall be appointed pursuant to [chapter 8A, subchapter IV](#), and shall be responsible for administering the investment program for the retirement fund pursuant to the investment policies of the board.

b. *Chief benefits officer.* The chief executive officer, following consultation with the benefits advisory committee, shall employ a chief benefits officer who shall be appointed pursuant to [chapter 8A, subchapter IV](#), and shall be responsible for administering the benefits and other services provided under the retirement system.

c. *Actuary.* The system shall employ an actuary who shall be selected by the board and shall serve at the pleasure of the board. The actuary shall be the technical advisor for the system on matters regarding the operation of the retirement fund.

d. *System employees.* Subject to other provisions of [this chapter](#), the system may employ all other personnel as necessary for the administration of the retirement system. The maximum number of full-time equivalent employees specified by the general assembly for the system for administration of the retirement system for a fiscal year shall not be reduced by any authority other than the general assembly. The personnel of the system shall be appointed pursuant to [chapter 8A, subchapter IV](#). The system shall not appoint or employ a person who is an officer or committee member of a political party organization or who holds or is a candidate for a partisan elective public office.

e. *Legal advisors.* The system may employ attorneys and contract with attorneys and legal firms for the provision of legal counsel and advice in the administration of [this chapter](#) and [chapter 97C](#).

f. *Outside advisors.* The system may execute contracts with persons outside state government, including investment advisors, consultants, and managers, in the administration of [this chapter](#). However, a contract with an investment manager or investment consultant shall not be executed by the system pursuant to this paragraph without the prior approval by the board of the hiring of the investment manager or investment consultant.

4. *Reports.*

a. *Annual report to governor.* Not later than the thirty-first day of December of each year, the system shall submit to the governor a report covering the administration and operation of [this chapter](#) during the preceding fiscal year and shall make recommendations for amendments to [this chapter](#). The report shall include a balance sheet of the moneys in the retirement fund. The report shall also include information concerning the investment management expenses for the retirement fund for each fiscal year expressed as a percent of the market value of the retirement fund investment assets. The information provided under

this paragraph shall also include information on the investment policies and investment performance of the retirement fund. In providing this information, to the extent possible, the system shall include the total investment return for the entire fund, for portions of the fund managed by investment managers, and for internally managed portions of the fund, and the cost of managing the fund per thousand dollars of assets. The performance shall be based upon market value, and shall be contrasted with relevant market indices and with performances of pension funds of similar asset size.

b. *Annual statement to members.* The system shall prepare and distribute to the members, at the expense of the retirement fund, an annual statement of the member's account and, in such a manner as the system deems appropriate, other information concerning the retirement system.

c. *Actuarial investigation.* During calendar year 2002, and every four years thereafter, the system shall cause an actuarial investigation to be made of all experience under the retirement system. Pursuant to such an investigation, the system shall, from time to time, determine upon an actuarial basis the condition of the retirement system and shall report to the general assembly its findings and recommendations.

d. *Annual valuation of assets.* The system shall cause an annual actuarial valuation to be made of the assets and liabilities of the retirement system and shall prepare an annual statement of the amounts to be contributed under [this chapter](#), and shall publish annually such valuation of the assets and liabilities and the statement of receipts and disbursements of the retirement system. Based upon the actuarial methods and assumptions adopted by the board for the annual actuarial valuation, the system shall certify to the governor the contribution rates determined thereby as the rates necessary and sufficient for members and employers to fully fund the benefits and retirement allowances being credited. Effective with the fiscal year beginning July 1, 2008, the annual actuarial valuation required by this paragraph shall include information as required by [section 97D.5](#) for each membership group which separately determines contribution rates under [this chapter](#).

5. *Investments.* The system, through the chief investment officer, shall invest, subject to [chapters 12F, 12H, 12J, and 12K](#) and in accordance with the investment policy and goal statement established by the board, the portion of the retirement fund which, in the judgment of the system, is not needed for current payment of benefits under [this chapter](#) subject to the requirements of [section 97B.7A](#).

6. *Old records.* The system may destroy or dispose of such original reports or records as have been properly recorded or summarized in the permanent records of the system and are deemed by the chief executive officer to be no longer necessary to the proper administration of [this chapter](#). The destruction or disposition shall be made only by order of the chief executive officer. Records of deceased members of the retirement system may be destroyed ten years after the later of the final payment made to a third party on behalf of the member or the death of the member. Any moneys received from the disposition of these records shall be deposited to the credit of the retirement fund subject to rules adopted by the system.

7. *Immunity.* The system, employees of the system, the board, the members of the board, and the treasurer of state are not personally liable for actions or omissions under [this chapter](#) that do not involve malicious or wanton misconduct even if those actions or omissions violate the standards established in [section 97B.7A](#).

[C46, 50, §97.4, 97.23; C54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §97B.4]

86 Acts, ch 1245, §251; 88 Acts, ch 1242, §9, 10; 92 Acts, ch 1201, §7; 96 Acts, ch 1187, §1; 2001 Acts, ch 68, §9, 24; 2003 Acts, ch 145, §172, 173, 286; 2006 Acts, ch 1092, §3; 2007 Acts, ch 39, §10; 2008 Acts, ch 1171, §21, 22, 48; 2010 Acts, ch 1167, §23, 24; 2011 Acts, ch 82, §10; 2017 Acts, ch 29, §36; 2023 Acts, ch 58, §11

Referred to in §97B.7A, 97B.8A
Subsection 5 amended