

Policy Name:	Non-Investment Contracts and Political Contributions	
Policy Number:	2025-POL-BD-05	
Effective Date:	June 13, 2025	
Last Reviewed Date:	June 13, 2025	
Executive Staff Contact:	Deputy Executive Director for Administration	

I. Purpose

To promote transparency and fairness in the procurement of goods and services, the Public School Employees' Retirement Board ("Board") adopts this Policy, which sets forth political contribution reporting requirements for non-investment contractors and review of same for Board Members.

II. Definitions

- **1. Political Contribution** shall have the same meaning ascribed to "CONTRIBUTION" in the Pennsylvania Election Code (25 P.S. § 3241(b)).
- 2. Vendor any individual or business entity, including but not limited to a corporation, company, association, partnership or sole proprietorship, seeking to or receiving an award of a contract from PSERS or other Commonwealth entity.
- 3. Immediate Family a person's spouse and any unemancipated child.
- **4.** Non-Investment Contract any contract not covered by the "Pay-to-Play" Rule Compliance and Reporting Policy that is evaluated and/or approved by the Board.

III. Scope

This policy applies to all Non-Investment Contracts that may be evaluated by Board Members and/or approved by the Board.

IV. Objectives

- **1.** To establish Political Contribution reporting requirements for Non-Investment Contract Vendors.
- **2.** To improve visibility of Political Contributions made by potential Non-Investment Contract Vendors for Board Member consideration.

V. Policy

- The Public School Employees Retirement System ("PSERS") through its Bureau of Administration shall identify all Non-Investment Contracts requiring Board Member evaluation and/or Board approval during the procurement process and ensure the reporting requirements of this policy are incorporated into the procurement process.
 - A. For Non-Investment Contracts that may be evaluated by a Board Member, PSERS shall require all potential Vendors to file Political Contribution reports as part of the procurement process.
 - **B.** For Non-Investment Contracts requiring Board approval, PSERS shall require the Vendor to provide an updated report at the time of recommendation for selection.
 - **C.** PSERS shall develop, provide, and require Vendors to complete forms for the reporting of Political Contributions to ensure compliance with the requirements of this policy.
- 2. All Vendors that are identified by PSERS as required to file a report under this policy shall report to PSERS an itemized list of all Political Contributions known to the business entity by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner or individual owner that has been made by:
 - A. any officer, director, associate, partner, limited partner, individual owner or members of their Immediate Family when the Political Contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the 12-month period immediately preceding submission of the report; or
 - B. any employe or members of his Immediate Family whose Political Contribution exceeded one thousand dollars (\$1,000) during the 12-month period immediately preceding submission of the report.
 - **C.** If a Vendor does not have any Political Contributions to report, the Vendor shall so certify.
- PSERS' Chief Compliance Officer shall review all reports of Political Contributions from Vendor's reported pursuant to this policy and shall notify individual Board Members of any individual Political Contribution to that Board Member that exceeds one thousand dollars (\$1,000).
- **4.** Any Board Member who is notified of an individual Political Contribution exceeding one thousand dollars (\$1,000) pursuant to this policy shall review the matter and either:
 - A. abstain from participating in the evaluation or approval of the Non-Investment Contract in accordance with Section 3.12 (Voting Conflicts) of the Statement of Organization Bylaws, and Other Procedures; or
 - **B.** notify PSERS Chief Counsel, or the Chief Counsel's designee, that the Political Contribution does not impact the Board Member's ability to participate in the evaluation or approval of the Non-Investment Contract.
- Board Members and their designees may confer with PSERS Chief Compliance Officer and PSERS Chief Counsel, or their designee, as needed. If PSERS Chief Counsel or the Board Member identifies a need for consultation with independent counsel, PSERS Chief Counsel may procure and provide independent conflicts counsel.

VI. Related Policies/Issuances

Public Official and Employee Ethics Act, 65 Pa.C.S. §§ 1101-1113.

Pennsylvania Election Code, Act of Jun. 3, 1937, P.L. 1333, No. 320, ((25 P.S. Section 3260a) (Reports by business entities; publication by Secretary of the Commonwealth)) [Note: the reporting requirements of this policy are in addition to, and not a replacement of, any reporting requirements under the Pennsylvania Election Code]

Statement of Organization Bylaws, and Other Procedures

PSERS Ethics Policy (Section 3.i)

PSERS "Pay-to-Play" Rule Compliance and Reporting Policy

VII. Compliance

Where a Board Member or PSERS staff learns or has actual knowledge of any material matter of non-compliance with this policy, such individual shall report the matter to the Chief Compliance Officer as soon as practicable. All reported instances on non-compliance will be investigated.

VIII. Responsible Committee and Frequency of Review

- 1. The Responsible Committee for this policy is the Governance and Administration Committee.
- 2. This policy shall be reviewed by the Governance and Administration Committee every three years and when there are changes in the Board's strategic priorities and initiatives, risks or performance factors, legislation or regulation, actual or potential litigation, or recommendations from studies or audits that may impact the efficacy of the policy. The Governance and Administration Committee shall report the results of this review to the Board.

Policy History:

Summary of Changes:

Date	Version	Summary
06/13/2025	1.0	NEW Policy Adopted by Board Resolution 2025-45