

Public School Employees' Retirement Board Governance & Administration Committee Meeting Minutes August 4, 2022

Call to Order: Chair Rep. Matt Bradford called the meeting to order at 8:00 A.M. via MS Teams and from the PSERS Board Room.

Committee Members Present:

Rep. Matt Bradford, Chair	John Callahan for Nathan Mains	Melva Vogler
Sec. Richard Vague, Vice-Chair	Joe Torsella	

Other Board Members Present:

Christopher Santa Maria, Board Chair	Christopher Craig	Ann Monaghan
Anne Baloga	Lloyd Ebright	Sen. Katie Muth
James Bloom	Alan Flannigan	Rep. Frank Ryan
Susan Boyle	Susan Lemmo	Patrick Shaughnessy
Stacey Connors	Patrick Lord	Jill Vecchio

Others Present:

Brian Carl	Elizabeth Goldstein	Kristen Petroskey
Tivia Danner	Bev Hudson	Terri Sanchez
Bob Devine	Patrick Knapp	Letitia Schubauer
Mercedes Evans	Stephanie Lanius	Michael Severance
Andrew Fiscus	Gene Meadows	David Shissler
Mei Gentry	Jennifer Mills	Laura Vitale

1.1 Acceptance of Published Agenda or Amendments

Sec. Richard Vague moved to accept the published agenda. Melva Vogler seconded the motion, which passed unanimously.

1.2 Minutes from May 27, 2022

Melva Vogler moved to approve the minutes of the May 27, 2022 meeting. Sec. Richard Vague seconded the motion, which passed unanimously.

1.3 Public Comment

Terri Sanchez introduced Patty Smith and Eyan Buxton from Rock the Capitol. Ms. Sanchez confirmed there were no requests for public comment.

1.4 Proposed Changes to Bylaws

Rep. Matt Bradford presented proposed changes to the PSERS Committee Charters; the most substantive changes are to the Finance & Actuarial Charter to expand list of finance functions, contemplated and to remove some items that are the responsibility of the Investment Committee. Additionally other charter changes are proposed to maintain consistency, including the language to Governance & Administration Committee, Audit, Compliance & Risk Committee, and Investment Committee charters tasking them to recommend vital signs for the functions under their oversight. Also adding language to Section 3 of each charter concerning how meetings should be conducted to reference adherence to established rules of order. Finally, charters that include language tasking a committee with recommending positions on legislation will be removed.

Rep. Matt Bradford moved that the Governance & Administration Committee adopt all the recommended changes to the various Committee charters and send them to the full Board for consideration and approval. Melva Vogler seconded the motion, which passed unanimously.

The recommend changes will move to full Board for consideration, and in accordance with the Bylaws, they require 15-day notice before the Board considers. Chairperson Santa Maria will decide if a special meeting of the Board is required before the October meeting.

Rep. Matt Bradford moved to recommend to the full Board recommendations made by Board Vice-Chairperson Rep. Frank Ryan for Bylaw change that would amend the language on succession in the event any committee Chair is unable to serve the entire elected term from holding an election, to see the Vice-Chair assume the Chairmanship for the remainder of the term. Sec. Richard Vague seconded the motion, which passed unanimously.

1.5 Review of Strategic Planning Policy

Rep. Matt Bradford presented the Strategic Planning Policy to establish the guidelines for a strategic planning process as recommend by Funston. The draft had previously been circulated to Board members and had been updated to reflect input from Board members.

Rep. Matt Bradford moved to recommend the Strategic Planning Policy to the full Board. Melva Vogler seconded the motion, which passed unanimously.

1.6 Review of Travel Policy Amendment

Sec. Richard Vague discussed an amendment to the Board Travel Policy to clarify language regarding third-party travel reimbursement provisions for contracts executed prior to the original policy adoption. He then made a recommendation to the full Board for approval. Melva Vogler seconded the motion, which passed unanimously.

1.7 Initial Review of New Policies

Rep. Matt Bradford introduced a Board Communications Policy and Public Participation and Attendance Policy for initial input and discussion. A future motion to adopt may occur after updated drafts of the policies are prepared.

1.8 Prioritization of Governance Recommendations and Timeline

Rep. Matt Bradford presented the Prioritization of Governance Recommendations and Timelines document. The Governance & Administration Committee requested input.

1.9 Deputy Executive Director Report

Bev Hudson reported to the Board with updates on PSERS administrative functions including IT and Cybersecurity, Telework, Office of Administration led expedited pay increases, and Procurements. A discussion followed.

Adjournment

Without objection, the Governance & Administration Committee Meeting adjourned at 8:30 A.M.

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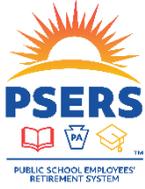
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Public School Employees' Retirement Board Health Care Committee Meeting Minutes August 4, 2022

Call to Order: Chair Susan Lemmo called the meeting to order at 10:49 A.M. from the PSERS Board Room and via MS Teams.

Committee Members Present:

Susan Lemmo, Chair	Patrick Shaughnessy for Rep. Matt Bradford	Patrick Lord for Sec. Eric Hagarty
Jason Davis, Vice-Chair		Ann Monaghan

Other Board Members Present:

Christopher Santa Maria, Board Chair	Christopher Craig	Rep. Frank Ryan
Anne Baloga	Eric DiTullio	Joe Torsella
James Bloom	Lloyd Ebright	Sec. Richard Vague
Susan Boyle	Alan Flannigan	Jill Vecchio
John Callahan	Treas. Stacy Garrity	Melva Vogler
Stacey Connors	Sen. Katie Muth	

Others Present:

Peter Camacci	Andy Fiscus	Sean Sarraf
Brian Carl	Elizabeth Goldstein	Letitia Schubauer
Melanie Clark, Segal	Jennifer Mills	Michael Severance
Tivia Danner	Kristen Petrosky	David Shissler
Mercedes Evans	Terri Sanchez	Laura Vitale

3.1 Acceptance of Published Agenda or Amendments

Jason Davis moved to accept the published agenda. Patrick Shaughnessy seconded the motion, which passed unanimously.

3.2 Minutes from June 16, 2022

Jason Davis moved to approve the minutes of the June 16, 2022 meeting. Patrick Shaughnessy seconded the motion, which passed with one abstention being Ann Monaghan.

3.3 Public Comment

Terri Sanchez confirmed there were no requests for public comment.

3.4 2023 Fully-Insured Dental and Visions Program Benefit and Rate Review

Peter Camacci provided a review of the 2023 Fully-Insured Dental and Visions Program Benefit and Rate Review. A discussion followed.

3.5 2023 Fully-Insured MCO Medicare Advantage Plan Offerings

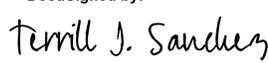
Melanie Clark from Segal provided a review of the 2023 Fully-Insured MCO Medicare Advantage Plan Offerings. A discussion followed.

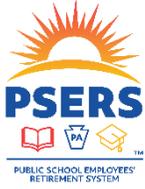
Adjournment

Without objection, the Health Care Committee Meeting adjourned at 11:03 A.M.

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Public School Employees' Retirement Board Benefits & Appeals Committee Meeting Minutes August 4, 2022

Call to Order: Chair Melva Vogler called the meeting to order at 11:04 A.M. from the PSERS Board Room and via MS Teams.

Committee Members Present:

Melva Vogler, Chair	Eric DiTullio	<i>Absent</i> – Sen. Katie Muth
Ann Monaghan, Vice-Chair	Susan Lemmo	

Other Board Members Present:

Christopher Santa Maria, Board Chair	Stacey Connors	Rep. Frank Ryan
James Bloom	Jason Davis	Patrick Shaughnessy
Susan Boyle	Alan Flannigan	Sec. Richard Vague
John Callahan	Patrick Lord	Jill Vecchio

Others Present:

Brian Carl	Steve Hocker	Terri Sanchez
Tivia Danner	Bev Hudson	Letitia Schubauer
Mercedes Evans	Jennifer Mills	Laura Vitale
Andrew Fiscus	Michael Reid, CEM	
Mei Gentry	Eugene Robison	

4.1 Acceptance of Published Agenda or Amendments

Ann Monaghan moved to accept the published agenda. Eric DiTullio seconded the motion, which passed unanimously.

4.2 Minutes from June 16, 2022

Eric DiTullio moved to approve the minutes of the June 16, 2022, meeting. Susan Lemmo seconded the motion, which passed with one abstention being Ann Monaghan.

4.3 Public Comment

Terri Sanchez confirmed there were no requests for public comment.

4.4 CEM Report

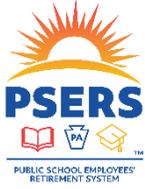
Michael Reid, CEM, provided an update on the PSERS Pension Administration Benchmarking Report for FY2021, July 1, 2020 through June 30, 2021. A discussion followed.

4.5 Executive Staff Review Committee (ESRC) Minutes

The Committee reviewed the Executive Staff Review Committee Reports for June 10, 2022. The Committee had no comments.

Adjournment

Without objection, the Benefits & Appeals Committee Meeting adjourned at 11:43 A.M.



Public School Employees' Retirement Board

Audit, Compliance & Risk Committee (ACR) Meeting Minutes

August 4, 2022

Call to Order: Chair Rep. Frank Ryan called the meeting to order at 11:53 A.M. from the PSERS Board Room and via MS Teams.

Committee Members Present:

Rep. Frank Ryan, Chair	Jason Davis	Sec. Richard Vague
Treas. Stacy Garrity, Vice-Chair	John Callahan for Nathan Mains	

Other Board Members Present:

Christopher Santa Maria, Board Chair	Lloyd Ebright	Patrick Shaughnessy
James Bloom	Alan Flannigan	Joe Torsella
Susan Boyle	Susan Lemmo	Jill Vecchio
Stacey Connors	Patrick Lord	Melva Vogler
Christopher Craig	Ann Monaghan	
Eric DiTullio	Sen. Katie Muth	

Others Present:

Connie Billett	Elizabeth Goldstein	Terri Sanchez
Brian Carl	Bev Hudson	Sean Sarraf
Tivia Danner	Stephanie Lanus	Letitia Schubauer
Mercedes Evans	Jennifer Mills	David Shissler
Andrew Fiscus	Kristen Petrosky	Laura Vitale

5.1 Acceptance of Published Agenda or Amendments

Jason Davis moved to accept the published agenda. John Callahan seconded the motion, which passed unanimously.

5.2 Minutes from June 16, 2022

Jason Davis moved to approve the minutes of the June 16, 2022, meeting. Treas. Stacy Garrity seconded the motion, which passed unanimously.

5.3 Public Comment

Terri Sanchez introduced Eric Epstein from Rock the Capitol. Ms. Sanchez confirmed there were no requests for public comment.

5.4 SOC1 and Internal Controls Audit, GIPS Update, and Ernst & young (EY) SEC Issue

David Shissler provided an update on Internal Controls study roadmap progress and the completion of the risk assessment on PSERS key processes; eight critical risk areas and six key control-related objectives and scope for the SOC1 Type2 audit. The ACR Committee has set a goal to report the SOC1 Type 2 audit to the Board in August 2025. The RFP procurement process will begin in September with an April 2023 contractor identified. A discussion followed.

Rep. Frank Ryan explained the workload for Global Investment Performance Standard (GIPS) and its initiation overlap with the RFP.

Rep. Frank Ryan provided an update on the Ernst & Young (EY) issue being fined by the Security Exchange Commission (SEC). Ernst & Young has been cooperative and communicative with the PSERB ACR Committee. A discussion followed.

5.5 Executive Session

At 12:07 P.M, Terri Sanchez stated, "In accordance with Section 5.13 of the Bylaws of the Public School Employees' Retirement Board and Section 708(a) of the Sunshine Act, we are going into Executive Session for an **update on Special Investigation Follow Up, and update on DOJ Investigation**, which, if conducted in public would violate a privilege or lead to the disclosure of information or confidentiality protected by law."

Rep. Frank Ryan moved that the ACR Committee enter into Executive Session. Jason Davis seconded the motion, which passed unanimously.

The ACR Committee returned to regular session at 12:16 P.M.

Adjournment

Without objection, the ACR Committee Meeting adjourned at 12:17 P.M.

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Mei Gentry

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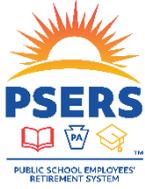
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Public School Employees' Retirement Board Investment Committee Meeting Minutes August 4, 2022

Call to Order: Sec. Richard Vague, Chair, called meeting to order at 12:21 P.M. from the PSERS Board Room and via MS Teams.

Board Members Present:

Sec. Richard Vague, Chair	Stacey Connors for Sen. Patrick Browne	Sen. Katie Muth (in @ 12:22 pm)
Jason Davis, Vice-Chair	Treas. Stacy Garrity	Patrick Lord in for Sec. Eric Hagarty
Christopher Santa Maria, Board Chair	Susan Lemmo	Rep. Frank Ryan
Eric DiTullio	John Callahan for Nathan Mains	Joe Torsella
Patrick Shaughnessy for Rep. Matt Bradford	Anne Monaghan	Melva Vogler

Others Present:

Anne Baloga	Mark Crosbie, Antin	Matt Nelson, Antin
James Bloom	Mariele Dunn, Caspian	Amanda Pinho, Hamilton Lane
Susan Boyle	Lloyd Ebright	TC Rolfstad, Hamilton Lane
Mark Brubaker, Verus	Cori English, Hamilton Lane	Claire Shaughnessy, Aon
Elanor Chambers, TDR	Eric Epstein, Rock the Capital	Henry Steinberg, EQT Exeter
Rayenne Chen, EQT Exeter	Alan Flannigan	Charles Thompson, Aksia
Adam Cohen, Caspian	Dylan Herman, Aksia	Kevin Tlusty, Aksia
Christopher Craig	Pete Lloyd, EQT Exeter	Jill Vecchio

Staff Present:

Thomas Bauer	Denise Knapp	Terri Sanchez
Michael Benson	Patrick Knapp	Sean Sarraf
Connie Billett	Richard Ko	Letitia Schubauer
Jeff Burton	Carl Lantz	Michael Severance
Brian Carl	Brianna Leiter	Joe Sheva
Tivia Danner	Robert Little	David Shissler
James Del Gaudio	G. Anthony Meadows	Bill Stalter
Bob Devine	Jennifer Mills	Cody Steele
Mercedes Evans	Susan Oh	Philip VanGraafeiland
Andy Fiscus	Kristen Petrosky	Laura Vitale
Darren Foreman	Melissa Quackenbush	
Elizabeth Goldstein	Jarrett Richards	
Beverly Hudson	Sean Sarraf	

6.1 Acceptance of Published Agenda or Amendments

Rep. Frank Ryan moved to accept the published agenda. Eric DiTullio seconded the motion, which passed unanimously.

6.2 Approval of Minutes from June 7, June 17, and July 26, 2022

Eric DiTullio moved to approve the minutes of the June 7, June 17, and July 26, 2022, meetings. Rep. Frank Ryan seconded the motion, which passed unanimously.

Jason Davis gave an update on some major Investment Office Professional Accomplishments since the last meeting:

- Justine Driver – passed CFA Level 1
- Zachary Reinhart – passed CFA Level 3
- Michael Severance – passed CAIA Level 1
- James Del Gaudio – Keynote Speaker at the UNC Alternative Investment Conference.

6.3 PSERS Investment Office Dashboard Overview

Bob Devine gave a PSERS Investment Office Dashboard Overview. A discussion followed.

6.4 Policy Benchmark Review

Claire Shaughnessy, Aon, gave a presentation on the Policy Benchmark Review. A discussion followed.

6.5.1 Investment Policy Statement

Joe Sheva gave a brief presentation on the Investment Policy Statement. A discussion followed.

6.5.2 Caspian Keystone Focused Fund Ltd.

Carl Lantz and Richard Ko gave a brief presentation on Caspian Keystone Focused Fund Ltd. A discussion followed.

6.5.3 TDR Capital V, L.P.

G. Anthony Meadows and Philip VanGraafeiland gave a brief presentation on TDR Capital V, L.P. A discussion followed.

6.5.4 Antin Infrastructure Partners V SCSp.

William Stalter and Cody Steele gave a brief presentation on Antin Infrastructure Partners V, L.P. A discussion followed.

6.5.5 EQT Exeter Industrial Value Fund VI, L.P.

Melissa Quackenbush and Jarrett Richards gave a brief presentation on EQT Exeter Industrial Value Fund VI, L.P. A discussion followed.

6.5.6 PSERS Sustainable Investing Framework – Culture and Transformative Innovation

Susan Oh gave a brief presentation on PSERS Sustainable Investing Framework – Culture and Transformative Innovation and recommended changes to the IPS in support of the initiative. A discussion followed and out of this discussion, the decision was made to put this on hold until PSERB received an opinion from PSERS Office of Chief Counsel on the consistency of the initiative with current law and the Board's fiduciary duties.

6.6 Executive Session

At 1:21 P.M., Terri Sanchez stated, "In accordance with Section 5.13 of the Bylaws of the Public School Employees' Retirement Board and Section 708(a) of the Sunshine Act, we are going into an Executive Session to discuss the items listed on today's agenda, namely, **to discuss Confidential Provisions of Proposed Action Items**, which, if conducted in public, would violate a privilege or lead to the disclosure of information or confidentiality protected by law."

Jason Davis moved that the Investment Committee enter into Executive Session. Eric DiTullio seconded the motion, which passed unanimously.

The Investment Committee returned to regular session at 1:52 P.M.

6.7 Future Meetings

Bob Devine gave a preview of future Investment Committee meetings:

October 2022 will be: Second Quarter and Fiscal Year Performance, Annual Performance Review of Private Markets, and Asset Class Reviews

December 2022 will be: Third Quarter Performance, Review of Investment Management Fees, and Asset Class Reviews.

Board Member Comments

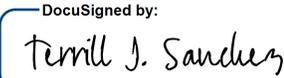
Richard Vague, Committee Chair, stated his appreciation to Board members and PSERS Investment Office staff. Susan Lemmo acknowledged the success of Investment Committee Pre-Meetings.

Adjournment

Without objection, the Investment Committee meeting adjourned at 2:20 P.M.

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