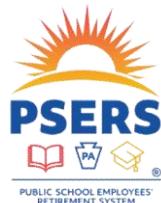


# December 12, 2025 PSERB Board Meeting

PSERS Board Room 5 North 5<sup>th</sup> Street, Harrisburg, PA 17101 and via MS Teams [Sunshine]

Chairperson Mr. Richard Vague  
Vice Chairperson Ms. Susan Lemmo  
Acting Board Secretary Benjamin Cotton



## 1. Call to Order

The Board met on December 12, 2025, virtually and in person at PSERS located at 5 North 5<sup>th</sup> Street in Harrisburg, PA. Chairperson Richard Vague called the meeting to order at 10:30 A.M. Benjamin Cotton, Acting Executive Director and Board Secretary, took roll call and confirmed Committee quorum.

### Board Member Attendance:

Chairperson Richard Vague, In Person  
Vice Chairperson Susan Lemmo, In person  
Jordan Laslett, Designee for Rep. Matthew Bradford, Virtual  
Dr. Pamela Brown, In Person  
Charles Erdman, Designee for Sen. Jarrett Coleman, Virtual  
Eric DiTullio, In Person  
Jill Vecchio, Designee for Rep. Torren Ecker, Virtual  
Christopher Craig, Designee for Treas. Stacy Garrity, In Person  
Carmen Bloom, Designee for Nathan Mains, Virtual  
Ann Monaghan, In Person  
Jason Moore, Virtual  
Jeffrey Cavanaugh, Designee for Sen. Katie Muth, Virtual  
Brian Reiser, In Person  
Patrick Lord, Designee for Sec. Carrie Rowe, Virtual  
Sec. Wendy Spicher, In Person

### Additional Board Designee Attendance:

Rep. Marc Anderson, Virtual  
Lloyd Ebright, Virtual  
Michael Heckmann, Virtual  
Eric Pistilli, In Person

## 2. Approval of Published Agenda or Requested Amendments

Eric DiTullio moved to approve the published agenda with Dr. Pamela Brown seconding. The motion passed unanimously.

## 3. Approval of October 23, 2025, Minutes

Eric DiTullio moved to approve the minutes with Ann Monaghan seconding. The motion passed unanimously.

## 4. Public Comment

Benjamin Cotton confirmed there was no request for public comment.

## 5. New Business

### 5.1 Appointment of Executive Director

Jordan Laslett moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") hereby appoints Uri Z. Monson as Executive Director, effective December 13, 2025, at a salary of \$285,009, pending final approval of the Executive Board.

Carmen Bloom seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB**

**Resolution 2025-80.**

**5.2 Active Certified Special Election Results Announcement**

Richard Vague announced that Adam Serfass was the only candidate who submitted a nomination petition for the election for an Active Certified seat and is qualified as a candidate. The Board Election Procedures and Guidelines Policy states that if an election has only one candidate who qualifies to appear on the ballot, no election will be conducted. Therefore, Mr. Serfass was declared as elected by acclamation in accordance with the Board's Election Procedures and Guidelines Policy. Mr. Serfass will serve the remainder of the current term through December 31, 2026, and then serve a subsequent term to commence on January 1, 2027, and end on December 31, 2029.

**5.3 PSERB Board Member Resolutions**

**5.3.1 Dr. Pamela Brown**

Richard Vague moved the following:

WHEREAS, Dr. Pamela Brown has served on the Public School Employees' Retirement Board since January 2024, as an elected representative for PSERS active certified members; and

WHEREAS, Dr. Brown has served with distinction in many capacities, including as Vice Chair of the Health Care Committee; and as a member of the Benefits and Appeals Committee and the Governance and Administration Committee; and

WHEREAS, Dr. Brown served PSERS with both enthusiasm and integrity, and shared her expertise and experience with both the Board and System, and

WHEREAS, Dr. Brown provided valuable insight and perspective on governance and strategic matters through her service on the Governance and Administration Committee; and provided support for the Funston Governance Review Report that led to the successful and substantial completion of the 186 implementation steps in the Report; and

WHEREAS, Dr. Brown never wavered in her duties as a fiduciary to PSERS members and sacrificed considerable time for the benefit of PSERS members in furtherance of PSERS' mission; and

NOW THEREFORE BE IT RESOLVED, that the PSERS Board of Trustees hereby offers its thanks and deepest appreciation for her excellent service to PSERS, and wishers her all the best in her future endeavors.

Susan Lemmo seconded.

The motion passed unanimously as **PSERB Resolution 2025-81.**

**5.3.2 Rep. Torren Ecker**

Richard Vague moved the following:

WHEREAS, State Representative Torren Ecker has served on the Public School Employees' Retirement System Board since November 2022, as the House Speaker's Appointee to the Board; and

WHEREAS, Representative Ecker has served with distinction in many capacities, including as Chair of the Defined Contribution Committee; and as Vice Chair of the Audit, Compliance and Risk Committee; and

WHEREAS, Representative Ecker additionally participated as a member of the Benefits and Appeals Committee, the Governance and Administration Committee, and the Investment Committee; and

WHEREAS, Representative Ecker provided steady leadership and unwavering support to the Defined Contribution Committee that strengthened the governance framework of the DC Plan, enhanced operational oversight, and advanced the effective administration of the plan that will help ensure a secure retirement for our members and will have a lasting influence on the plan's continued success; and

WHEREAS, Representative Ecker provided strategic leadership supporting the ACR Committee Chair in shaping the audit, risk, and compliance agenda for PSERS and supported the ACR Committee in reviewing annual internal and external audit plans; and

WHEREAS, Representative Ecker strengthened the independence and transparency of internal and external audit reporting to the board and has been a champion for stronger control environment and risk transparency; and

NOW THEREFORE BE IT RESOLVED, that the PSERS Board of Trustees hereby offers

its thanks and deepest appreciation for his dedicated and excellent service to PSERS, and its best wishes to him in his future endeavors.

Susan Lemmo seconded.

The motion passed unanimously as **PSERB Resolution 2025-82**.

#### **5.4 Update on 2026 Committees and Board Meetings**

Benjamin Cotton shared the proposed 2026 Committee and Board meeting dates for consideration. The Committees and Board will hold organizational meetings on Friday, January 9, 2026, during which time the Committees will elect Chairs and Vice Chairs, 2026 Committee Work Plans will be adopted, and Committee meeting dates will be confirmed. The Board will also hold an organizational meeting on January 9 to elect the Board Chairperson and Vice Chairperson as well as confirm remaining Board meeting dates.

#### **5.5 Committee Reports**

##### **5.5.1 Audit, Compliance and Risk Committee Report**

Christopher Craig reported on the activities, findings, recommendations, and other relevant issues from the Audit, Compliance and Risk Committee meeting held on October 3, 2025.

Under New Business, the Committee:

- Received an update from Alicia James, Investment Compliance Manager, on the Investment Compliance Program, and
- Held an Executive Session to discuss agency business, namely Investment Compliance Review Report, Member Authentication Report Out, Audit, Compliance and Risk Committee Vital Signs, Internal Audit Plan Update, Compliance Plan Update, and Chief Compliance Officer Independence Verification.

Christopher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") adopts the recommendation of the Audit, Compliance, and Risk (ACR) Committee and directs management, in cooperation with the ACR Committee via PSERS' Chief Risk Officer, to prioritize the recommendations contained within the member authentication controls review as presented at the October 15th ACR committee meeting, and provide said prioritization report to the Board no later than March 20th, 2026. The prioritization report provided to the Board shall include an implementation timetable for all prioritized recommendations.

Eric DiTullio seconded.

The motion passed unanimously as **PSERB Resolution 2025-83**.

##### **5.5.2 Health Care Committee Report**

Susan Lemmo reported on the activities, findings, recommendations, and other relevant issues from the Health Care Committee meeting held on December 11, 2025. Under New Business, the Committee:

- Received a presentation from Mathew Koshey, Director of the Health

Insurance Office, and Melanie Clark, from Segal, on the proposed 2026 HOP Budget.

Susan Lemmo moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board accepts the recommendation of the Health Care Committee and adopts the proposed Health Options Program Budget and two supplemental budgets for the sponsor's Administrative and Medicare Prescription Drug Program for the Plan Year 2026 in the aggregate amount of \$670,424,000.

Eric DiTullio seconded.

The motion passed unanimously as **PSERB Resolution 2025-84**.

#### **5.5.3 Defined Contribution Committee Report**

Jill Vecchio reported on the activities, findings, recommendations, and other relevant issues from the Defined Contribution Committee meeting held on December 11, 2025. Under New Business, the Committee:

- Received a presentation from Jennifer Mills, Deputy Executive Director and Director of Defined Contribution Investments, on the Q2 2025 Review.

#### **5.5.4 Benefits and Appeals Committee Report**

Ann Monaghan reported on the activities, findings, recommendations, and other relevant issues from the Benefits and Appeals Committee meeting held on December 11, 2025.

Under New Business, the Committee:

- Reviewed the Executive Staff Review Committee (ESRC) report for October 31, 2025, and
- Received a presentation from Jennifer Mills, Deputy Executive Director Report including a review of strategic initiatives, vital signs, and management action plans.

#### **5.5.5 Finance and Actuarial Committee Report**

Eric DiTullio reported on the activities, findings, recommendations, and other relevant issues from the Finance and Actuarial Committee meeting held on December 11, 2025.

Under New Business, the Committee:

- Received a presentation from David Driscoll and Maria Simmers, from Gallagher, on the Actuarial Valuation Results and Contribution Rates,
- Held an Executive Session to discuss the Verification of Actuary Independence,
- Received presentations from Brian Lyman, Chief Finance Officer, on Pension Funding and Employer Contribution Rates, the Annual Comprehensive Financial Report (ACFR) and September 30, 2025, Financial Statements, and the Evaluation of External Actuary.

Eric DiTullio the following:

**RESOLVED**, that the Public School Employees' Retirement Board accepts the recommendation of the Finance and Actuarial Committee and adopts the June 30, 2025, Actuarial Valuation Report prepared by Gallagher and the actuarial factors, assumptions, and methodologies contained therein, which result in an employer contribution rate of 33.59% for Fiscal Year July 1, 2026 through June 30, 2027.

Brian Reiser seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-85**.

#### **5.5.6 Investment Committee Report**

Christopher Craig reported on the activities, findings, recommendations, and other relevant issues from the Investment Committee meetings held on December 4, 2025, and December 11, 2025.

At the December 4, 2025, meeting under New Business, the Committee:

- Received a presentation from Melissa Quackenbush, Senior Portfolio Manager, on Cabot Industrial Value Fund VIII, L.P., and LEM Multifamily Fund VII, L.P.,
- Received a presentation from Ryan Rathman, Senior Portfolio Manager, presented on OceanSound Partners Fund III, L.P.,
- Received a presentation from Cody Steele, Senior Portfolio Manager, presented a proposal for HarbourVest Strategic Partnership,
- Held an Executive Session to discuss Confidential Provisions of the Discussion Items.

At the December 11, 2025, meeting under New Business, the Committee:

- Received a presentation from Robert Devine, Deputy Chief Investment Officer, on the Investment Office Vital Signs,
- Received an update from Joseph Sheva, Director of Risk, Compliance, and Performance, on the Investment Policy,
- Received a presentation from Mark Brubaker, Verus Advisory Inc., on the Capital Market Update,
- Heard from Benjamin Cotton with the Chief Investment Officer Update,
- Heard from Thomas Bauer, Deputy Chief Investment Officer, on Performance and Risk Attribution,
- Heard from James Del Gaudio, Managing Director, on public Real Assets and public Markets: Strategy, Implementation, and Market Risk,
- Heard from Christopher Doll on the CEM Fee Report,
- Heard from Aksia on the Private Markets Pacing Analysis,
- Conducted a Consultant Review with mark Brubaker from Verus,
- Fielded questions related to the discussion items presented at the December 4, 2025, and December 11, 2025, Committee meetings,
- Held an Executive Session to discuss confidential provisions of the proposed discussion items, and the Verus Consultant Review.

Eric DiTullio moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and adopts the changes to the External Manager Due Diligence and Monitoring Policy and External Managers' Insurance Policy, attached:

- External Manager Due Diligence and Monitoring Policy
- External Managers' Insurance Policy.

Ann Monaghan seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-86**.

Christpoher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and rescinds Resolution 2025-37 and engages Glass Lewis for RFP #2025-05, Proxy Research and Voting Services.

The final terms and conditions of the contract are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing contract.

Dr. Pamela Brown seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-87**.

Christopher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and commits an amount not to exceed \$150 million, plus reasonable and normal investment expenses, in Cabot Industrial Value Fund VIII, L.P. and/or related investment vehicles in accordance with the recommendation of Melissa Quackenbush, Senior Portfolio Manager, and Aksia, LLC.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Brian Reiser seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-88**.

Christopher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and commits an amount not to exceed \$100 million, plus reasonable and normal investment expenses, in LEM Multifamily Fund VII, L.P. and/or related investment vehicles in accordance with the recommendation of Melissa Quackenbush, Senior Portfolio Manager, and Aksia, LLC. The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Eric DiTullio seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-89**.

Christopher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and commits an amount not to exceed \$150 million, plus reasonable and normal investment expenses, in OceanSound Partners Fund III, LP and/or related investment vehicles in accordance with the recommendation of Ryan Rathman, Senior Portfolio Manager, and Aksia, LLC.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Eric DiTullio seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-90**.

Christopher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee that the Board establish a separately managed account with HarbourVest Partners, LLC in accordance with the recommendation of Cody Steele, Senior Portfolio Manager and Aksia, LLC, the scope of which shall be limited to the following elements:

1. Commits an amount not to exceed \$200 million, plus reasonable and normal investment expenses, to HarbourVest Co-Investment Fund VII LP and/or related

investment vehicles;

2. Commits an amount not to exceed \$200 million, plus reasonable and normal investment expenses, to a PSERS-specific strategic co-investment sidecar vehicle with a broadly similar mandate to the HarbourVest Co-Investment Fund series;
3. Establishes a limited partnership with HarbourVest to underwrite and execute certain PSERS-sourced co-investment opportunities. Exposure in this vehicle will continue to be limited by the authorized co-investment limits set forth in the PSERS Private Markets Asset Class policy; and
4. Establishes a limited partnership for PSERS to transfer the management of selected legacy private equity exposures to HarbourVest. PSERS will not transfer any incremental exposure to this limited partnership if the most recent NAV of the vehicle plus any proposed transfers would exceed \$1 billion.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Eric DiTullio seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-91**.

Christopher Craig moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and delegates the authority to the Chief Investment Officer in his discretion to commit new or additional sums to private markets investment vehicles managed by HarbourVest Partners and/or their affiliates, subject to each of the following constraints:

- a. Any new or additional commitments must be compliant with the External Manager exposure risk limits outlined in the Private Markets Asset Class Policy.
- b. For any new or additional commitments, PSERS total Private Markets Exposure ("NAV and unfunded") to HarbourVest Partners shall not represent more than 10% of PSERS Total Private Markets target allocation.
- c. Each individual new or additional commitment to HarbourVest Partners shall not exceed 1.5% of PSERS Total Private Markets target allocation.

For the avoidance of doubt, any legacy private equity exposures transferred to HarbourVest's oversight, pursuant to Resolution 2025-91, will not be counted in the numerator of the exposure calculations referenced above.

Utilization of this delegated authority is subject to the notification and periodic reporting as prescribed within the External Manager Due Diligence and Monitoring Policy and this delegation prospectively supersedes and nullifies any prior grants of discretion by way of board resolutions related to HarbourVest Partners.

The final terms and conditions of new or additional commitments authorized under this delegation are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contracts.

Dr. Pamela Brown seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-92**.

#### **5.5.7 Governance and Administration Committee Report**

Jordan Laslett reported on the activities, findings, recommendations, and other relevant issues from the Governance and Administration Committee meeting held on December 12, 2025.

Under New Business, the Committee:

- Received from Beverly Hudson the Deputy Executive Director of Administration's Report including Governance and Administration Committee vital signs, strategic initiatives, and management action plans, and
- Held an Executive Session to discuss matters related to compensation for the Chief Investment Officer.

Jordan Laslett moved the following:

**RESOLVED**, that the Public School Employees' Retirement Board accepts the recommendation of the Governance and Administration Committee and approves the Cost-of-Living Adjustment of 3.3% for the Chief Investment Officer, as proposed by the Office of Administration for similarly situated positions.

Eric DiTullio seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-93**.

**6. Office of Chief Counsel Report**

At 11:07 A.M., the Committee entered Executive Session to consult with counsel on pending or expected litigation, and Cybersecurity Controls Briefing.

**The Committee resumed public session at 11:34 A.M.**

**7. Office of Executive Director Report**

Benjamin Cotton welcomed new employees and interns, introduced Mark Fetzko, Director of Government Affairs and Stakeholder Engagement, for a legislative update, and announced that PSERS' achieved the Public Pension Coordinating Council Public Pension Standards Award for Funding and Administration for 2025.

**8. Next Meeting Agenda Items**

Richard Vague announced that an organizational meeting will be held January 9, 2026, during which the Board will elect a Chairperson and Vice Chairperson.

**9. Adjournment**

Without objection, Richard Vague adjourned the Board meeting at 11:44 A.M.

DocuSigned by:



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