



# Commonwealth of Pennsylvania Public School Employees' Retirement Board

<b>Policy Name:</b>	<b>Strategic Planning</b>
<b>Policy Number:</b>	2025-POL-BD-04
<b>Effective Date:</b>	March 21, 2025
<b>Last Reviewed Date:</b>	March 21, 2025
<b>Executive Staff Contact:</b>	Executive Director

## I. Purpose

This policy describes the procedure by which the Public School Employees Retirement Board (the "Board") guides the development and renewal of strategic plans. For purposes of this policy, "Board" and "Board member(s)" include designee(s).

## II. Scope

This policy applies to the strategic plan set forth by the Board.

## III. Objective

The objectives of this policy are to:

1. Ensure that strategic investment, operations, and business planning occurs in a rigorous, systematic, clearly understood and coordinated manner across the agency.
2. Keep the planning process roles of the Board and staff clearly delineated and appropriate.
3. Ensure that a strategic plan exists and is used by the organization as the basis for all operations, initiatives, and the establishment of priorities; and
4. Facilitate the communication of the Board's strategic direction throughout the organization and to its stakeholders.

## IV. Policy

As a general matter, the following duties and responsibilities will guide the strategic planning process.

1. The Executive Director is responsible for developing a strategic planning process that solicits input from all agency functions and the Board. The proposed process will then be presented to the Governance and Administration Committee for approval. Outside advisors and consultants may be involved in the process as appropriate.
2. The Governance and Administration Committee will be responsible for:

- A. Ensuring a robust process that engages the full Board and utilizes best practices is used to develop the strategic plan;
  - B. Providing the Executive Director with input during the development of all aspects of the strategic plan, including but not limited to the vision, mission, strategic priorities, guiding principles, goals, and strategic initiatives;
  - C. Approving strategic plan recommendations for presentation to the full Board for approval, along with any related budget and other approvals needed to support the plan;
  - D. Monitoring progress on the implementation of the strategic plan on an ongoing basis; and
  - E. Reporting to the full Board regarding progress toward goals and recommended changes.
- 3. It is recommended that the strategic plan be reviewed at least every three years, with reassessment no less than every five years. The planning cycle may be several years in duration, depending on the nature of the goals and initiatives involved in the strategic plan. To the extent practicable, the planning process may be coordinated with a Board retreat or workshop and development of the PSERS budget.
- 4. Annually, the Executive Director shall develop and provide to the Governance and Administration Committee a review of the strategic initiatives in furtherance of the goals and provide input on the progress toward the goals and recommended changes quarterly.
- 5. The functional areas addressed in the plan may include, but are not limited to:
  - A. Member and participant services and benefit administration;
  - B. Funding;
  - C. Investments;
  - D. Audit and compliance;
  - E. Risk management;
  - F. Human resources;
  - G. Operations and information systems;
  - H. Governance; and
  - I. Stakeholder relations.
- 6. Proposed new initiatives or projects should generally be presented with supporting information and planning parameters. For example, these may include:
  - A. Reasons for undertaking the project;
  - B. Timelines for completion;
  - C. Assignment of responsibilities for implementation;
  - D. Budget, personnel, and back-office implications;
  - E. Criteria (including metrics) for assessing the success of the initiative;
  - F. Risk management implications, encompassing both strategic threats and strategic opportunities; and
  - G. Provisions for committee monitoring and reporting to the Board.

7. With support from the Executive Director, the Governance and Administration Committee shall bring its strategic plan recommendations to the Board for approval. The committee report should include an executive summary that includes explanations of:
  - A. Background on development of the strategic plan and the issues it addresses;
  - B. Pros and cons, including options provided;
  - C. Risks involved, as well as the downside of inaction; and
  - D. The committee's recommendations, with supporting explanations.
8. Upon approval, the strategic plan shall be posted on the PSERS' public website.
9. Strategic planning is intended to be a continuous process. The strategic plan is a living document and may be modified with approval of the Board as needed. Accordingly, the strategic plan should be monitored regularly by the Executive Director with progress reported to the Board and appropriate committee. The plan should also guide goal setting for both the Executive Director and the System at large, and subsequently cascade annual goal setting throughout the organization.
10. As needed, the strategic plan can be leveraged to guide policy development, including the development of an annual policy calendar and committee meeting agendas.

## V. Responsible Committee and Frequency of Review

1. The Responsible Committee for this policy is the Governance and Administration Committee.
2. This policy will be reviewed no less frequently than every three years, or 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 Responsible Committee shall report the results of this review to the Board.

## Document Properties:

### Summary of Changes:

Date	Version	Summary
8/5/2022	1.0	NEW Policy to provide a framework for a collaborative staff and Board Strategic Planning Process.
03/21/2025	2.0	Policy converted into new template; added language to support considering strategic threats and opportunities; added language indicating the plan should be posted on the PSERS public website; added language indicating the plan should be used for goal setting throughout the agency; added language indicating the plan should be used to guide policy activities; added language indicating the frequency of policy review. Adopted via Board Resolution 2025-28