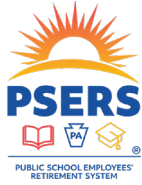


**PSERB Resolution 2025-47**  
**Re: Board Education Policy**  
**June 13, 2025**

**RESOLVED**, that the Public School Employees' Retirement Board accepts the recommendation of the Governance and Administration Committee and adopts the revised Board Education Policy, attached.



# Commonwealth of Pennsylvania

## Public School Employees' Retirement Board

<b>Policy Name:</b>	<b>Board Education Policy</b>
<b>Policy Number:</b>	<Policy Number>
<b>Effective Date:</b>	<Effective Date>
<b>Last Reviewed Date:</b>	<Reviewed Date>
<b>Executive Staff Contact:</b>	Board Information Officer

## I. Purpose

The purpose of this policy is to establish education requirements and the framework in developing and providing education to Board members and their designees for them to fulfill their fiduciary obligations.

## II. Definitions

**“Academic Course”** shall mean an individual college level or advanced degree course offered by an accredited college or university that directly relates to a member’s duties as a trustee of a government pension plan. The course need not be for credit.

**“ACR Committee Education”** shall mean education in risk assessments, internal controls, and auditing standards. The Committee on Sponsoring Organizations Enterprise risk management guidelines may be considered as a guide to such education.

**“Board Education”** shall mean collectively Mandatory Education, Fiduciary Education, and Health Options Program/Prescription Drug Plan Compliance and Fraud, Waste, and Abuse Training.

**“Costs”** shall mean all reasonable expenses including but not limited to, transportation, lodging, tuition, subsistence, and conference registration expenses incurred by a member or designee in attending an educational event required or permitted under this Policy, including an Academic Course.

**“Fiduciary Education”** shall mean education on ethical conduct and fiduciary responsibilities, including but not limited to standards of conduct, confidentiality, conflicts of interest, Ethics Code provisions, Board’s Ethics Policy, fiduciary duty, personal investments, and related disclosure requirements.

**“Mandatory Education”** shall mean education in investment strategies, actuarial cost analysis, asset allocation, risk assessment, and retirement portfolio management as required by 24 Pa.C.S. §8501(f).

### III. Scope

This policy applies to the education requirements of new and existing Board members and their designees.

### IV. Objective

The objective of this policy is to:

1. Identify the required areas of education for Board members and designees.
2. Develop the process to identify and prioritize ongoing educational needs and opportunities.
3. Develop the process for Board members and designees to receive education.

### V. Policy

1. **Board Education.**--Each Board member and designee is required to complete on an annual basis for the period between January 1 and December 31:

- A. Effective January 1, 2022, ten (10) hours of Mandatory Education

- i. Qualifying education received through attendance at presentations by the Pennsylvania State Employees' Retirement System may be counted toward the Mandatory Education.
    - ii. Relevant training received for or through a non-PSERS sponsored event may be counted toward the Mandatory Education as deemed appropriate by the Executive Director.

- B. One hour of Fiduciary Education

- C. One hour of Health Options Program/Prescription Drug Plan Compliance and Fraud, Waste, and Abuse Training, as required by the Center for Medicare & Medicaid Services

2. **ACR Committee Education.**--

- A. Effective February 24, 2021, a Board member, who is first appointed as a voting member to the Audit, Compliance and Risk Committee ("ACR Committee"), must complete at least sixteen (16) hours of ACR Committee Training within ninety (90) days of the initial appointment to the ACR Committee.

- i. Notwithstanding a Board member having satisfied the sixteen (16) hours requirement, any new designee of that Board member must satisfy this education requirement within ninety (90) days of the designee's appointment to serve as a designee.

- ii. Individuals who were members, including designees of members, of the ACR Committee on February 23, 2021 are exempt from the initial sixteen (16) hour requirement.

- B. Following initial appointment and for all subsequent terms, a Board member and designee must complete at least eight (8) hours of ACR Committee Education on an annual basis for the period between January 1 and December 31.

- C. The hours of ACR Committee Education are inclusive of the hours for Mandatory Board Education.

### **3. Annual Education Plan.--**

- A. Annually, a proposed education plan that addresses Board and Committee educational goals shall be developed for Board approval by the Governance and Administration Committee.
- B. The Governance and Administration Committee should engage in an annual planning process, including engagement with Board members and a review of Committee Work Plans, to identify Board and Committee educational goals that support the discharge of Committee and Board duties.
- C. The education plan shall also include educational opportunities for Board Education and ACR Committee Education.

### **4. New Member and New Designee Orientation Program.--**

- A. An orientation program shall be developed by the Executive Director for new members and new designees first appointed to the Board. The orientation program may consist of a single session or multiple sessions.
- B. The orientation program should be scheduled and completed as soon as reasonably practical and preferably prior to attending their first meeting of the Board as a member. The Executive Director and the Chief Counsel shall make a reasonable effort to provide the new member or new designee with education on Subsections D. iv. and v. below before their first meeting of the Board as a voting member.
- C. The orientation program may be conducted by PSERS staff or external subject-matter experts, or both.
- D. During the orientation program, new members and new designees shall be:
  - i. Briefed on the history, background, and Board governance;
  - ii. Briefed on current issues before the Board;
  - iii. Introduced to senior management;
  - iv. Briefed on their fiduciary duties, conflict of interest guidelines, financial disclosure requirements, public records and open meetings laws, and other pertinent laws, policies and regulations;
  - v. Trained on the Board's Ethics Policy; and
  - vi. Provided with all relevant information and documentation deemed appropriate by the Executive Director.
- E. The Executive Director shall biennially review and, if necessary, update all orientation material and supply each member with those updates.

### **5. Regular Ongoing Educational Opportunities.--**

- A. Education may be provided by staff or external subject-matter experts. Education provided by external subject-matter experts must be unbiased, informative, and free from any promotional elements.

- B.** To assist Board members and designees in identifying quality educational opportunities that provide relevant education, the Executive Director shall compile and maintain a list of pre-approved educational events, based on the feedback of Board members and designees or staff who have attended such events. The list shall be included in the education plan approved by the Board.
- C.** Education may satisfy other professional development requirements (e.g., continuing legal education credits for attorneys).
- D.** Members and designees may submit requests to the Board Chair for educational credit approval for attendance at non-PSERS sponsored events not listed on the list of pre-approved educational events.
- E.** Costs for the attendance at an approved non-PSERS sponsored event shall be paid for by the Board and shall be done in compliance with all applicable travel, business expense, budget, ethics code, and standards of conduct limitations.
- F.** The Executive Director shall provide regular opportunities for Board members and designees to receive industry periodicals, books, and other materials that are relevant to development and maintenance of their education.
- G.** Board members may request scheduling of training on specific relevant topics. The Board Chair may also arrange for special educational presentations in coordination with the Executive Director.

#### **6. Academic Courses**

- A.** Members and designees shall be entitled to reimbursement for Costs incurred to attend not more than one Academic Course per calendar year.
- B.** To be eligible for reimbursement of Costs, each Academic Course must be approved by the Chair (or Vice Chair for requests submitted by the Chair) and Executive Director prior to the member or designee's enrollment in the Academic Course. All requests for approval to the Chair and Executive Director shall be made in writing.
- C.** Reimbursement for Costs incurred to attend an Academic Course shall not exceed \$2,000 per Academic Course. Matriculation fees, books, student fees, and activity fees shall not be reimbursed.
- D.** Reimbursement of Costs for an Academic Course will be processed only after the member or designee successfully completes the Academic Course. In the case of a non-credit Academic Course, a certificate of completion issued by the college or university that provided the Academic Course shall evidence successful completion of the Academic Course. In the case of an Academic Course taken for credit, a copy of the official transcript showing a "C" grade or better for any undergraduate course, or "B" grade or better for any advanced degree course, shall evidence successful completion of the Academic Course.

#### **7. Receiving Credit for Education Hours.--**

- A.** Education credit earned shall be determined by the Executive Director annually on December 31.
- B.** The Executive Director shall establish the process by which members and designees shall follow to receive credit for attending education.

- C. On a periodic basis throughout the year, members and designees shall be provided with updates as to education credit received under the current education plan.
- D. A member or designee who is appointed to the Board during the year shall earn education credit pro rata based on the remaining length of the term of office. The earned amount will be a fraction of the full amount, determined by the number of hours required proportional to the remaining term of office for which the member or designee serves rounded up to the nearest half hour.
- E. Up to five (5) qualifying hours of training earned in a calendar year in excess of the required number of Mandatory Education hours may be applied to the next calendar year.
- F. Members and designees may submit a request to the Chair and the Executive Director for educational credit upon completion of an Academic Course.

## VI. Related Policies/Issuances

Travel Policy

## VII. Compliance

1. If a member fails to complete: (i) the sixteen (16) hours of ACR Committee Education within ninety (90) days of the initial appointment to the ACR Committee; or (ii) the eight (8) hours of ACR Committee Education each year, then neither the member nor the designee(s) may participate in ACR Committee deliberations or voting beginning with the ACR Committee meeting following the determination of noncompliance until the member satisfies the annual requirement. The member may, however, participate in Board or other committee deliberations or voting.
2. If a designee fails to complete: (i) the sixteen (16) hours of ACR Committee Education within ninety (90) days of the initial appointment to the ACR Committee; or (ii) the eight (8) hours of ACR Committee Education each year, then the designee cannot participate in ACR Committee deliberations or vote on behalf of the member at any ACR Committee meeting beginning with the ACR Committee meeting following the determination of noncompliance until the member satisfies the annual requirement. The designee may, however, participate in Board or other committee deliberations or voting on behalf of the member.
3. The Executive Director shall report to the Board and the Chief Counsel the names of all members and designees who are deficient in Board Education.
4. The Executive Director shall report to the Board Chairperson, the ACR Committee Chairperson, and the Chief Counsel the names of all ACR Committee members and designees who are deficient in ACR Committee Education.
5. The Chief Counsel shall counsel the member and designee who are deficient in Board Education on the potential implications of continued non-compliance.

## 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
MM/DD/YYYY	#. #	Restatement of the current Board Education Policy. Adopted by PSERB resolution 2025-##.