

**Board Governance and Personnel Committee Minutes**  
**Tuesday, July 18, 2023**

**Attendees:**

**Board Governance and Personnel Committee:**

**Board Governance and Personnel Committee:**

- David Fillman, Chair
- Treasurer Stacy Garrity
  - Christopher Craig, Designee for Treasurer Garrity
  - Llyod Ebright, Designee for Treasurer Garrity
  - Thomas Waters, Designee for Treasurer Garrity
- Senator Vincent Hughes, Assistant Chair
  - Matthew Lindsay, Designee for Senator Hughes
  - Antoinette Marchowsky, Designee for Senator Hughes
- Interim Acting Secretary Wendy Spicher
  - Seamus Dubbs, Designee for Secretary Spicher
  - Eric Pistilli, Designee for Secretary Spicher
  - Jeffrey Soderstedt, Designee for Secretary Spicher
- Gregory Thall

**Other Board Members:**

- Glenn Becker
- Senator John DiSanto
  - Charles Erdman, Designee for Senator DiSanto
- Rep. Dan Frankel
  - Anne Baloga, Designee for Rep. Frankel
  - Daniel Ocko, Designee for Rep. Frankel
- Gregory Jordan
- Rep. Brett Miller
  - Susan Boyle, Designee for Rep. Miller
  - Jill Vecchio, Designee for Rep. Miller
  - Michael Heckmann, Designee for Rep. Miller
- Mary Soderberg

**SERS Senior Leadership:**

- Elizabeth Christian  
*Deputy Executive Director for Administration*
- Cynthia Collins (Committee Staff)**  
*Director of Governance & Strategic Initiatives*
- Jo Ann Collins  
*Chief Compliance Officer*
- Brenda Cunard  
*Deputy Executive Director for Member & Participant Services*
- Thomas Derr  
*Director of Communications & Policy*
- Pamela Hile  
*Press Secretary*
- Daniel Krautheim  
*Chief Information Officer*
- Ryan McCoy  
*Acting Internal Audit Director*

- Katie Mathews (Committee Staff)**  
*HR Director*
- N. Joseph Marcucci (Committee Counsel)**  
*Chief Counsel*
- Michael McGeoy  
*Assistant Chief Financial Officer*
- Sara McSurdy  
*Chief Financial Officer*
- Catherine Nolan  
*Deputy Chief Counsel*
- James Nolan  
*Chief Investment Officer*
- Steven Skoff  
*Deputy Chief Counsel*
- Joseph Torta  
*Executive Director*
- William Truong  
*Deputy Chief Investment Officer*

**SERS Board Committee Support:**

- Rose Agnew  
*Executive Secretary*
- Kathrine Bates  
*Administrative Officer*
- Kelly Bernhard  
*Administrative Assistant*
- Joel Burgo  
*Information Security Specialist*
- Randy Gilson  
*Technical Support Division Director*

- Jonathan Ryan  
*IT Generalist*
- Brett Shaffer  
*IT Generalist*
- Matthew Soule  
*IT Generalist*
- Mark Walter  
*IT Administrator*

**Other SERS Staff:**

- Jared Snyder, *Portfolio Manager*

**Other Attendees:**

- Tom Shingler, *Callan*

**1. Call to Order**

At 12:51 P.M., Chair David Fillman called the meeting to order.

**2. Welcome and Introduction**

Chair David Fillman welcomed Committee members, designees, and other non-Committee Board members.

**3. Approval of Minutes**

Minutes of June 6, 2023, Board Governance and Personnel Committee meeting

**Motion:**

By motion that was moved, seconded, and approved unanimously by Committee members, it was:

RESOLVED: That this Committee approves the meeting minutes of the June 6, 2023, Board Governance and Personnel Committee meeting.

**4. Old Business**

**a. SERS Strategic Final Plan Report FY 2021-2023**

The Committee received the final report of the FY 2021-2023 strategic goals. It was noted that most of the plan objectives had been accomplished; however, there were unfinished goals at the end of June 30, 2023. The outstanding items, as reflected in the final report, fell into 4 main buckets: (1) projects moved to 2023-2027 strategic plan, (2) projects moved outside of the plan, (3) projects cancelled, and (4) projects that have been paused.

Motion: By motion that was moved, seconded, and approved unanimously by Committee members, it was:

RESOLVED: that the Board Governance and Personnel Committee recommend to the State Employees' Retirement Board, to approve of the Strategic Plan amendments and final report as presented and as located in BoardDocs at Agenda Item 4.b.

The roll call vote tabulation was as follows:

<b>Board Member</b>	<b>Vote</b>
<b>FILLMAN</b>	Yes
<b>GARRITY</b>	Yes
Designee:	
<b>HUGHES</b>	

Designee: Linday	Yes
<b>SPICHER</b>	Yes
Designee:	
<b>THALL</b>	Yes

**b. Biennial Board Governance Policy Review Project**

The Committee received an updated project plan for the Biennial review of the Board's policies and procedures. It was explained that another phase was added to the project governance review plan, Phase 5, that will occur in December.

No action was taken.

**5. Special Presentations (None)**

**6. New Business**

**a. SERS Strategic Plan July 1, 2023 – June 30, 2027**

The Committee received a presentation on the final SERS Strategic Plan spanning 4-years, commencing on July 1, 2023, and ending on June 30, 2027. This Strategic Plan will focus on the digital transformation of the agency by increasing digital options for both members as well as transitioning away from paper and implementing digital workflows to internal operations. The Strategic Plan is a customer service focused initiative that will drive business operations modernization and not merely an IT project.

The five strategic priorities are: (1) enhance the member experience, (2) enhance operational efficiencies, (3) create a centralized searchable data repository, (4) enhance the overall work experience for SERS employees, and (5) determine a roadmap for a pension administration system to support SERS digital transformation. Staff reviewed board goals, foundational plan goals, an over-view of the plan's deliverables over the next four years, and specific goals for years one through four.

Motion: By motion that was moved, seconded, and approved unanimously by Committee members, it was:

RESOLVED: that the Board Governance and Personnel Committee recommend to the State Employees' Retirement Board, to approve the recommendation of the Board

Governance and Personnel Committee to approve the FY 2023-FY 2027 (July 1, 2023 – June 30, 2027) SERS Strategic Plan, as located in BoardDocs at Agenda Item 6.a. The roll call vote tabulation was as follows:

<b>Board Member</b>	<b>Vote</b>
<b>FILLMAN</b>	Yes
<b>GARRITY</b>	Yes
Designee:	
<b>HUGHES</b>	
Designee: Marchowsky	Yes
<b>SPICHER</b>	Yes
Designee:	
<b>THALL</b>	Yes

**b. 2023 SERS BG&PC Governance Review Phase Three**

The Committee reviewed governing statutes, executive orders, and specific board policies as part of the phase three biennial review. The review included an updating of certain statutes and executive orders contained in the Standards of Conduct section of the Board's policies to include: (a) Exhibit C – the Ethics Act, (b) Exhibit D1 – Governor's Code of Conduct, (c) Executive Order 2023-04 (Gift Ban) replacing Executive Order 2015-01, and (d) Exhibit E – Legislative Code of Ethics. These documents were updated to have the most recent public version included in the SERS' Governance Manual.

The next set of documents reviewed included several Board policies and procedures: (2) Board Consultant Evaluation Procedures, (3) Actuarial Services Policy, (4) Policy Referrals, Related Communications: Undue Influence, and (5) Policy on Placement Agent Disclosures. Most of the changes to the policies and procedures were housekeeping in nature, to reflect clarifications to language, new roles at SERS, current practices, and to promote best practices.

After its review the Committee voted to recommend that the State Employees' Retirement Board approve the revised documents as reflected at Agenda Item 6.b. in BoardDocs.

**Motion:**

By motion that was moved, seconded, and approved unanimously by Committee members, it was:

RESOLVED: That the Board Governance and Personnel Committee recommend to the State Employees' Retirement Board, to approve the revisions to the following Board Governance Policies and Procedures listed below, as set forth in the attachments located in BoardDocs at Agenda Item 6.b:

- 1. Standards of Conduct
  - a. Exhibit C – Ethics Act
  - b. Exhibit D1 – Governor’s Code of Conduct
  - c. Executive Order 2023-04 (Gift Ban) replacing EO 2015-01
  - d. Exhibit E – Legislative Code of Ethics
- 2. Board Consultant Evaluation Procedures
- 3. Actuarial Services Policy
- 4. Policy Referrals, Related Communications, Undue Influence
- 5. Policy on Placement Agent Disclosures.

The roll call vote tabulation was as follows:

<b>Board Member</b>	<b>Vote</b>
<b>FILLMAN</b>	Yes
<b>GARRITY</b>	Yes
Designee:	
<b>HUGHES</b>	
Designee: Marchowsky	Yes
<b>SPICHER</b>	Yes
Designee:	
<b>THALL</b>	Yes

**c. Outside Counsel Update**

The Committee was provided an update that the existing Tax Counsel contract would be expiring in the spring and that the Office of Chief Counsel was beginning work on preparing an RFP for issuance later in the year. It was noted that this outside counsel engagement would be for tax advice, with a focus on federal

legislation and compliance with IRS provisions.

No action was taken at the Committee meeting.

**7. Executive Session**

The Committee entered Executive Session at 1:56 p.m. to receive a mid-year update report from the executive director and consistent with the committee's work plan a discussion of the executive director's salary occurred. The committee resumed public session at 2:17 p.m.

**8. Committee Comments/Concerns/Questions**

The Committee thanked the Executive Director for his mid-year report, and noted that it would take no action with respect to the Executive Director's salary; however, the Committee clarified this was not a reflection on the incumbent's performance and commended the Executive Director for his work.

**9. Motion to Adjourn**

**Motion:**

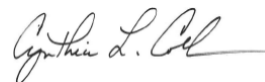
By motion that was moved by Chair David Fillman and approved unanimously by Committee members, it was;

RESOLVED: That this meeting be adjourned at 2:19 p.m.

Respectfully Submitted,



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Katie Mathews  
Director of Human Resources



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Cynthia L. Collins  
Director Governance and Strategic  
Initiatives