

PSERS Governance and Administration Committee Charter

Article II Section 3

I. Purpose and Authority

The primary purpose of the Board Governance and Administration Committee (“Committee”) is to assist the Board in fulfilling its fiduciary oversight responsibilities with respect to Board governance (including bylaws, charters and policies), trustee elections, hiring, goal-setting, evaluation and termination of the Executive Director, executive succession planning, strategic planning, Board self-evaluation, and Board onboarding and continuing education, as well as cybersecurity, information technology, human resources, and general procurement oversight.

The Board hereby delegates all necessary power and authority to the Committee for the Committee to perform the duties and responsibilities described in this Charter. Nothing in this Charter shall be construed as giving the Committee the authority to take any action on behalf of the Board or Board Chairperson without first obtaining the approval of the Board.

II. Composition

The Committee shall consist of five (5) current members of the Board.

The Committee shall elect its Chair and Vice-Chair as provided for in the Bylaws.

The Deputy Executive Director for Administration will be the primary staff liaison to the Committee.

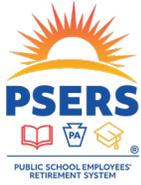
III. Meetings

Committee meetings shall be conducted in accordance with the Bylaws and established rules of order. The Committee shall meet at least four (4) times every year. The Committee Chair, in consultation with the Committee Members, shall set the dates and times of the committee meetings and request that the Secretary of the Board provide notice of meetings in accordance with the Bylaws.

IV. Responsibilities

A. *Conduct activities on behalf of the Board*

1. Conduct the Board self-evaluation process, including development of a Board self-evaluation policy. The Committee Chair should lead the process and is authorized to seek external assistance if required.
2. Conduct the annual Executive Director and Chief Counsel performance evaluation processes on behalf of the Board, seeking input from all trustees. Collaborate with the Executive Director and Chief Counsel in the development of annual performance goals linked to the strategic plan for recommendation to the Board for approval.
3. Interview candidates for filling positions in the System that report directly or indirectly to the Board, if appropriate.
4. In those instances when the Board has engaged independent fiduciary counsel, conduct the search (using any of the methods of source selection defined in the Procurement Code) for



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the independent fiduciary counsel contract at least every five (5) years unless the Board directs otherwise.

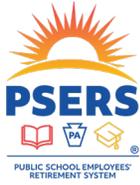
5. In those instances when the Board has engaged fiduciary counsel, oversee and evaluate the performance of the Board's fiduciary counsel and ensure the Board meets with fiduciary counsel without staff at least once annually.

B. Recommend direction and policy to the full Board.

1. Annually identify anticipated governance policy priorities and establish a calendar of anticipated policy decisions and discuss with the Board.
2. Review and make recommendations to the Board on all policies and any amendments thereto governing the internal operations of the Board, with the exception of policies that come within the duties and responsibilities of another committee. Collaborate with the other PSERS committees, the Executive Director, and Chief Counsel to review the bylaws and committee charters at least every three years.
3. Review and make recommendations to the Board on the manner in which elections of the elective members of the Board are conducted and on the selection of providers of goods and services deemed necessary for the conduct of such elections.
4. Review and make recommendations to the Board regarding the need for and selection of independent fiduciary counsel, if necessary.
5. Collaborate with executive staff to develop Board self-assessment policies and procedures.
6. Collaborate with executive staff to develop the trustee orientation and continuing education curriculum, including education to be provided during Board meetings or workshops and individual education opportunities. Utilize input from the Board self-assessment to refine and improve the continuing education program.
7. Review and make recommendations to the Board on delegations to the Executive Director. The delegations should be reviewed at least every three years and any proposed revisions recommended to the Board.
8. Recommend to the Board positions on proposed legislation affecting board governance.
9. Review and make recommendations to the Board on procurement management and operations related to delegations of authority, designated signatories, and general procurement procedures and practices.

C. Recommend approval of key decisions.

1. Report on and cause to be certified to the Board the results of each election.



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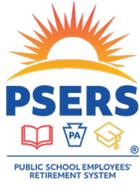
2. As needed, make recommendations to the Board regarding selection and hiring of external Board consultants and advisors such as governance consultants.
3. As needed, collaborate with staff to oversee executive searches when the need to hire a new Executive Director or Chief Counsel arises. Recommend discipline or termination of the Executive Director or Chief Counsel, if appropriate.
4. Review and recommend to the Board any major information technology initiatives, including for cybersecurity and information security, and collaborate with the other PSERS committees that may be affected by such initiatives.

D. Oversee Board-approved direction.

1. Oversee the PSERS strategic planning process, including development of a PSERS strategic planning policy which describes the process and roles and responsibilities. Ensure that the Board participates in the strategic planning process and monitors plan implementation.
2. Oversee stakeholder relations and collaborate with staff in development of a stakeholder relations plan which identifies key stakeholder groups, who are responsible for communications at PSERS, and key messaging to be communicated.
3. Oversee organizational development, including succession planning for the direct reports to the Board and ensuring that the Executive Director has effective leadership succession planning in place for staff.
4. Oversee all matters concerning the classification, pay, and other terms and conditions of employment for employees of the Board, including total personnel complement.
5. Oversee business continuity and disaster recovery planning and processes.
6. Oversee the management of vendors, plans, and budgets for information technology, cybersecurity, and information security.
7. Oversee procurement management and operations related to delegations of authority, designated signatories, and general procurement procedures and practices.

E. Obtain independent verification of the reliability of reports received and issued.

1. Periodically obtain staff compensation reviews with an independent compensation consultant to compare PSERS staff compensation with peers and present the results to the Board.
2. Periodically (e.g., every two or three years) obtain peer governance assessments of PSERS and provide the results to the Board.



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V. Reporting to the Board

The Committee Chair, with the support of staff, is responsible for reporting on the Committee's activities and recommendations to the Board. Subsequent to each Committee meeting, the Chair should provide:

- Minutes summarizing the Committee's deliberations;
- Documentation in support of any recommendations to the Board; and
- The proposed agenda for the next Committee meeting.

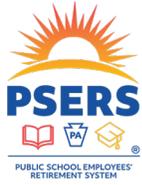
The Chair should ensure that the Board receives sufficient and reliable information to enable the Board to fulfill its fiduciary responsibility of monitoring and overseeing PSERS governance.

VI. Self-Evaluation

The committee shall conduct a self-evaluation of the Committee's performance as part of the Board's self-evaluation process. In addition to identifying opportunities for the committee to improve, the self-evaluation should also seek to identify unmet trustee continuing education needs to be communicated to the Board Governance Committee to add to the curriculum.

VII. Frequency of Review / History

The Committee shall collaborate with PSERS staff, including the Office of Chief Counsel, to review this Committee Charter at least every three years. The Committee shall recommend any changes to the Board, as appropriate.



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Document Properties

Document Owner: PSERS Board

Document Author: PSERS Board – Governance and Administration Committee

Summary of Changes:

Date	Version	Author	Summary
March 15, 2022	1.0	Funston Advisory Services and Governance and Administration Committee	
June 17, 2022	2.0	Governance and Administration Committee	<ul style="list-style-type: none"> • Removed redundant language regarding Committee composition. • Clarified language regarding procurement of consultants. • Clarified Committee’s role regarding hiring and evaluating Chief Counsel. • Clarified Committee’s role regarding Fiduciary Counsel. • Added language regarding elections previously misplaced in the Health Care Committee Charter.