

**PUBLIC SCHOOL EMPLOYEES' RETIREMENT BOARD**  
**5 North Fifth Street**  
**Harrisburg, Pennsylvania**

**Regular Meeting**

**Minutes**

**December 8, 2017**

**8:34 A.M.**

**Board Members Present**

Mr. Nathan G. Mains, Vice Chairman  
Ms. Deborah J. Beck  
Senator John P. Blake  
Representative Stephen Bloom  
Ms. Stacey Connors for Senator Patrick M. Browne  
Mr. Jason M. Davis  
Ms. Virginia M. Lastner  
Ms. Susan C. Lemmo  
Mr. Bernard Gallagher for Representative Joseph F. Markosek  
Ms. Lori Graham (telephonically) for Secretary Pedro A. Rivera  
Mr. Christopher SantaMaria  
Ambassador Martin J. Silverstein  
Mr. Christopher Craig for Treasurer Joseph M. Torsella  
Mr. Leo Pandeladis for Secretary Robin L. Wiessmann

**Board Members Absent**

Ms. Melva S. Vogler, Chairman

**Others Present**

Mr. David Driscoll  
Mr. Salvador Nakar  
Mr. Ed Quinn  
Mr. Mark Ryan  
Ms. Lisa Taglang  
Mr. Tom Weeter

Staff Members Present

Mr. Tom Bauer  
Ms. Shannon Billhime  
Ms. Barbara Book  
Mr. Brian S. Carl  
Ms. Marla Cattermole  
Ms. Franca D'Agostino  
Ms. Krista Davis  
Mr. Andrew Fiscus  
Ms. Kristina Goodling  
Mr. Glen R. Grell  
Mr. James H. Grossman, Jr.  
Mr. Wilhelm Gruszecki

Ms. Alicia E. James  
Ms. Patricia Lorenz  
Ms. Jennifer Mills  
Ms. Catherine Nollau  
Mr. Tony Parisi  
Mr. Eugene Robison  
Ms. Terrill J. Sanchez  
Mr. Charles K. Serine  
Mr. Steven Skoff  
Mr. Charles J. Spiller  
Ms. Kelly Sprengle  
Mr. Joseph E. Wasiak, Jr.  
Ms. Evelyn Tatkovski Williams

CALL TO ORDER

Mr. Mains called the meeting to order at 8:34 A.M. in the fourth floor Boardroom at PSERS Headquarters.

WELCOME GUESTS  
AND NEW EMPLOYEES

Mr. Grell welcomed guests, Mr. Ryan and Mr. Weeter; and new employees, Ms. Davis and Ms. Nollau.

EMPLOYEE  
RECOGNITION

Ms. Sanchez recognized Ms. Goodling for her graduation from the Leadership Development Institute. Mr. Steve Foremny was also recognized in his absence.

MINUTES APPROVED

Ms. Lastner moved to approve the minutes of the October 5, 2017 Board meeting. Ms. Lemmo seconded the motion, which passed unanimously.

UNFINISHED BUSINESS

GOV/TREASURER  
INITIATIVES LETTER

Mr. Grell updated the Board on the Joint Commission, PSERS-SERS collaboration and discussions.

MANAGEMENT FEES

Mr. Craig moved that the Board hereby directs the Investment Office staff and the Board's investment consultants, to present to the Board at the June 2018 Investment Committee meeting for consideration, a long-term plan or series of recommendations for the reduction of investment management fees, by a set percentage, paid to external managers over a three-year period. The plan should identify annual goals and address the wide disparity in how "management fees" are reported among public pension funds and may include recommendations for alternate fee structures, which distinguish between "base fees" and "profit sharing" and other fee-structuring and reporting practices. Ms. Lastner seconded the motion, which passed unanimously.

Mr. Craig moved that the Public School Employees' Retirement Board directs the PSERS Executive Office and Investment Office, in cooperation with its counterpart at the State Employees' Retirement System and an independent and expert consultant, if deemed appropriate, to identify opportunities for operational consolidation, collaboration and/or contracting cost savings and to report to the Board, within six months. The report should identify, without limitation, (1) common operations, similar professional service contracting, shared Act 5 implementation mandates, and redundancies in administrative support operations among the pension systems that may be consolidated or more efficiently managed; (2) potential cost savings within the System's investment operations; and (3) legal and personnel management considerations or statutory changes necessary to implement. Ms. Lemmo seconded the motion, which passed unanimously.

OPERATIONAL  
CONSOLIDATION

Mr. Craig moved that the Public School Employees' Retirement System Board hereby directs the Executive Office to prepare a report addressing the state of voluntary supplemental retirement savings plans available to school employees in Pennsylvania. The report should include data concerning the existence and utilization of current school district plans; the steps necessary should the PSERS Board choose to implement such a Section 403 (b) or 457 plan; and a plan of action to encourage greater participation in such plans. The report and recommendations shall be presented to the Board for consideration by the Board at its March 2018 Board Meeting. Mr. SantaMaria seconded the motion, which passed unanimously.

VOLUNTARY  
SUPPLEMENTAL  
RETIREMENT SAVINGS  
PLANS

### NEW BUSINESS

Mr. Carl introduced Mr. Driscoll, Mr. Quinn and Mr. Nakar, who presented the June 30, 2017 Actuarial Valuation.

ACTUARIAL VALUATION

Mr. Carl presented the Pension Funding and Employer Contribution Rates.

CONTRIBUTION RATES

Ms. Lemmo moved that the Public School Employees' Retirement Board (PSERB) hereby accepts the June 30, 2017 Actuarial Valuation report prepared by Conduent, and adopts the actuarial factors, assumptions, and methodologies contained therein, which result in an employer contribution rate of 33.43% for Fiscal Year July 1, 2018 through June 30, 2019.

ACTUARIAL VALUATION

Resolved further, that the PSERB certifies and retains the current T-E member contribution rate of 7.5% and T-F member contribution rate of 10.3% for the three year period from July 1, 2018 to June 30, 2021 in accordance with the "shared risk" provisions of Act 120 of 2010. Ms. Lastner seconded the motion, which passed unanimously.

#### CHIEF FINANCIAL OFFICER'S REPORT

Mr. Carl presented his Chief Financial Officer's Report, which included the September 30, 2017 Financial Statements; PSERS' FY 2017 Comprehensive Annual Financial Report (CAFR); and Other Financial Management Activities.

#### ELECTIONS COMMITTEE REPORT

Ambassador Silverstein reported on the meeting held December 7, 2017.

MINUTES APPROVED

Ambassador Silverstein stated that the Committee approved the minutes of the December 6, 2016 meeting.

ELECTION  
CERTIFICATION

Ambassador Silverstein reported that Mr. Eric O. DiTullio won the Annuitant Seat Election with 35.14% of the vote. His three-year term will commence on January 1, 2018 and end December 31, 2020.

Mr. Grell, as Secretary of the Board, certified this to be true.

#### HEALTH CARE COMMITTEE REPORT

Ms. Lemmo reported on the meeting held December 7, 2017.

MINUTES APPROVED

Ms. Lemmo stated that the Committee approved the minutes of the October 5, 2017 meeting.

PRESENTATION

Ms. Lemmo reported that Ms. D'Agostino presented the Health Options Program Budget.

HEALTH CARE  
CONSULTING AND  
PROJECT  
MANAGEMENT  
SERVICES

Ms. Lemmo moved, that the Public School Employees' Retirement Board (the "Board") hereby adopts the proposed Health Options Program Budget and two supplemental budgets for the sponsor's Administrative and Medicare Prescription Drug Program (PDP) for the Plan Year 2018 in the aggregate amount of \$413,781,000 as presented by Franca M. D'Agostino at the December 7, 2017

Health Care Committee meeting. Ms. Lastner seconded the motion, which passed unanimously.

AUDIT/COMPLIANCE COMMITTEE REPORT

Representative Bloom reported on the meeting held on December 7, 2017.

Representative Bloom stated that the Committee approved the minutes of the October 5, 2017 meeting.

MINUTES APPROVED

Representative Bloom reported that Ms. James presented the Audit Plan Update and the AG Audit Recommendations Status Report.

PRESENTATIONS

Representative Bloom stated that Ms. James reviewed the Internal Audit Charter.

Representative Bloom moved that the Public School Employees' Retirement Board (the "Board") hereby adopts the Internal Audit Office Charter pursuant to the recommendation of Alicia E. James, Internal Auditor, dated November 17, 2017. Mr. SantaMaria seconded the motion, which passed unanimously.

INTERNAL AUDIT OFFICE  
CHARTER

Representative Bloom moved that the Public School Employees' Retirement Board (the "Board") hereby accepts the results of the Commonwealth Request for Proposals for the Financial Audit Services and enter into a contract with CliftonLarsonAllen LLP with an initial term of two (2) years beginning March 1, 2018 with options to renew the contract, upon mutual consent of the parties, annually for three additional years. The final terms and conditions of the contract must be satisfactory to the Internal Auditor, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on the implementing contract or by a memo to that effect appended to the implementing contract. Ms. Lastner seconded the motion, which passed unanimously.

RFP RESULTS FOR  
FINANCIAL AUDIT  
SERVICES EFFECTIVE  
MARCH 1, 2018

BYLAWS/POLICY COMMITTEE REPORT

Mr. Gallagher reported on the meeting held December 7, 2017.

Mr. Gallagher stated that the Committee approved the minutes of the October 5, 2017 meeting.

MINUTES APPROVED

Mr. Gallagher reported that Mr. Wasiak presented the Education Policy Update.

PRESENTATION

AMENDMENT TO THE  
PSERB EDUCATION  
POLICY

Mr. Gallagher moved, that the Public School Employees' Retirement Board (the "Board") hereby adopts the proposed changes to the Education Policy of the Public School Employees Retirement Board pursuant to the recommendations of Joseph E. Wasiak, Jr., Assistant Executive Director, contained in the memorandum dated November 16, 2017, SUBJECT: Review of Guidance on Changes to the Education Policy and Revised Appendix 1. Ms. Lastner seconded the motion, which passed unanimously.

PRESENTATION

Mr. Gallagher reported that Mr. Wasiak presented the Training Plan Preview.

2018 PSERB TRAINING  
PROGRAM

Mr. Gallagher moved, that the Public School Employees' Retirement Board (the "Board") hereby adopts the proposed 2018 PSERB Training Program of the Public School Employees Retirement Board pursuant to the recommendations of Joseph E. Wasiak, Jr., Assistant Executive Director, contained in the memorandum dated November 28, 2017, SUBJECT: 2018 PSERB Training Program. Ms. Lastner seconded the motion, which passed unanimously.

PRESENTATION

Mr. Gallagher reported that Mr. Wasiak presented a Bylaws Update.

APPEALS AND MEMBER/EMPLOYER SERVICES  
COMMITTEE REPORT

Ms. Beck reported on the meeting held on December 7, 2017.

MINUTES

Ms. Beck stated that the Committee approved the minutes of the October 5, 2017 meeting.

ACCOUNT OF  
GARRETT J.  
BLASCHAK

Ms. Beck moved in the case of Garrett J. Blaschak, that the Board grant PSERS' Motion for Summary Judgment and dismiss the Claimant's appeal. Mr. SantaMaria seconded the motion, which passed unanimously.

ACCOUNT OF  
D. R.

Ms. Beck moved in the case of D. R., that the Board adopt the Hearing Officer's recommendation, address Claimant exceptions, and dismiss Claimant's appeal with prejudice. Mr. Davis seconded the motion, which passed unanimously.

ACCOUNT OF  
CHRISTIE L. FREEMAN

Ms. Beck moved in the case of Christie L. Freeman, that the Board grant the Claimant's request for an Administrative Hearing and that PSERS' Motion for Summary Judgment be denied. This issue is

remanded to a Hearing Examiner to conduct an administrative hearing and provide a recommendation to the Board on whether Claimant can change her survivor annuitant. Senator Blake seconded the motion, which passed with one NO vote, being Mr. Pandeladis. Senator Blake stated that he and Representative Markosek will take an in-depth look at the legislation making this vote necessary in the interest of future cases.

Ms. Beck reported that the Committee reviewed the Executive Staff Review Committee Reports from July 25, August 31 and September 26, 2017.

ESRC REPORTS

### INVESTMENT COMMITTEE REPORT

Ms. Lemmo reported on the meeting held on December 7, 2017.

Ms. Lemmo stated that the Committee approved the minutes of the October 5, 2017 meeting.

MINUTES APPROVED

Ms. Lemmo stated that Mr. Grossman presented the PSERS Fund and Market Overview; Mr. Kemp and Mr. Snyder gave a Review of PSERS FY 20187 Investment Management Fees; Asset Class Reviews were given by Mr. Baker, Mr. Burton, Mr. Devine, Mr. Derr, Mr. Getz, Ms. Oh, and Mr. Shaffer; and Mr. Grossman gave his Preview of Future Meetings.

PRESENTATIONS

Ms. Lemmo reported that a Board Education session entitled Board Education: Investment Management Fee Educational Session was given. Due to time restraints, Board Education: Derivatives 102 was tabled until the January meeting.

BOARD EDUCATION

Ms. Lemmo stated that the following action items were discussed.

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") adopt proposed changes to Sections V. Performance Objectives; and VI. Risk Management and Controls of the Investment Policy Statement, Objectives, and Guidelines, as amended, for the Public School Employees' Retirement System pursuant to the recommendation of Joseph W. Sheva, Senior Risk Manager, dated November 15, 2017. Senator Blake seconded the motion, which passed unanimously.

INVESTMENT POLICY  
STATEMENT,  
OBJECTIVES AND  
GUIDELINES

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed \$400 million plus reasonable normal investment expenses, in The Children's Investment Fund, L.P. (and/or related investment

THE CHILDREN'S  
INVESTMENT FUND, L.P.

vehicles), in accordance with the recommendation of Raymond J. Schleinkofer, Senior Portfolio Manager, dated November 8, 2017 and Aksia, LLC, dated November 8, 2017. The final terms and conditions of the investment 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. Ms. Lastner seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

**ALMANAC REALTY  
SECURITIES VIII, L.P.**

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed \$150 million plus reasonable normal investment expenses, in Almanac Realty Securities VIII, L.P. (and/or related investment vehicles), in accordance with the recommendation of William P. Stalter, Senior Portfolio Manager, dated November 8, 2017 and Courtland Partners, Ltd., dated October 27, 2017. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract. Mr. SantaMaria seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

**BLUE POINT CAPITAL  
PARTNERS IV, L.P.**

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed \$70 million plus reasonable normal investment expenses, in Blue Point Capital Partners IV, L.P. (and/or related investment vehicles), in accordance with the recommendation of Michael Tyler, Portfolio Manager, dated November 7, 2017 and Hamilton Lane, dated October 13, 2017. The final terms and conditions of the investment 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. Mr. Davis seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

**BRIDGEPOINT EUROPE  
VI, L.P.**

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed €100 million plus reasonable normal investment expenses, in Bridgepoint Europe VI, L.P. (and related investment vehicles), in accordance with the recommendation of Darren C. Foreman, Senior Portfolio Manager, dated November 7, 2017 and Hamilton Lane, dated



October 25, 2017. The final terms and conditions of the investment 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.

Mr. Davis seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed €85 million plus reasonable normal investment expenses, in Equistone Partners Europe Fund VI, SCSp (and/or related investment vehicles), in accordance with the recommendation of Luke M. Jacobs, Portfolio Manager, dated November 7, 2017 and Hamilton Lane, dated October 30, 2017. The final terms and conditions of the investment 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. Mr. SantaMaria seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

EQUISTONE PARTNERS  
EUROPE FUND VI, SCSP

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed \$200 million plus reasonable normal investment expenses, in Clearlake Capital Partners V, L.P. (and/or related investment vehicles), in accordance with the recommendation of James F. Del Gaudio, Portfolio Manager, dated November 6, 2017 and Hamilton Lane Advisors, L.L.C., dated October 12, 2017. The final terms and conditions of the investment 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. Ms. Lastner seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

CLEARLAKE CAPITAL  
PARTNERS V, L.P.

Mr. Mains moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed \$150 million plus reasonable normal investment expenses, in Denham Mining Fund, LP (and/or related investment vehicles), in accordance with the recommendation of Raymond J. Schleinkofer, Senior Portfolio Manager, dated November 7, 2017 and Hamilton Lane, dated October 30, 2017. The final terms and conditions of the investment must be satisfactory to the Investment Office, the

DENHAM MINING FUND,  
L.P.

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. Ms. Lastner seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

INSIGHT VENTURE PARTNERS X, L.P.

Ms. Lemmo moved that the Public School Employees' Retirement Board (the "Board") hereby invests an amount not to exceed \$100 million plus reasonable normal investment expenses, in Insight Venture Partners X, L.P. (and/or related investment vehicles), in accordance with the recommendation of Luke Jacobs, Portfolio Manager, dated November 30, 2017 and Hamilton Lane, dated November 16, 2017. The final terms and conditions of the investment 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. Mr. Davis seconded the motion, which passed with one abstention, being Mr. Pandeladis on behalf of Secretary Wiessmann.

CHIEF COUNSEL REPORT

CC REPORT

Mr. Serine updated the Board on the Volpe case, stating that Commonwealth Court affirmed the Board's decision in the case.

Mr. Serine stated that in May the Court affirmed the Board's decision in the Robertson case, however the petitioner filed a petition for review with the Supreme Court. The Supreme Court has denied that petition, thereby affirming the Board's and Commonwealth Court's decision.

DEPUTY EXECUTIVE DIRECTOR'S REPORT

DED REPORT

Ms. Sanchez presented her update on the V3 Benefit Administration System upgrade from the existing Classic version to the new Browser version (C2B); the Security Review for HOP Contractors; and Segal Phone and Communication Studies.

EXECUTIVE DIRECTOR'S REPORT

ED REPORT

Mr. Grell stated that he attended the NCTR Annual Conference in Tucson October 7-10; testified at the Senate Finance Committee hearing on PSERS/SERS management fees on October 18; gave a presentation at the BOCC annual conference on October 18; and

attended the PAPERS Fall Workshop in Pittsburgh on November 14-15.

Mr. Grell reported that he will give a presentation to the Midwest IU4 Superintendent Advisory Committee in Grove City on December 13.

Mr. Grell updated the Board on current Legislation issues; Act 5 Implementation; the Health Insurance Office; a handout on Fees, Risk and Diversification; the success of the SECA Campaign; the Tobacco Settlement; and a preview of the January 2018 meeting. Mr. Davis gave a short review of the Governance Working Group meeting held October 4, 2017 and also the focus of future meetings.

At 10:43 A.M., Mr. Grell stated: "In accordance with Section 5.13 of the Bylaws of the Public School Employees' Retirement Board, we are going into Executive Session to discuss the item listed on today's agenda, namely RFP Results, a real estate deal, and a personnel issue. The Committee may hold an Executive Session for any one or more of the reasons enumerated in Section 708(a) of the Sunshine Act (65 Pa C.S. §708(a)), including agency business which, if conducted in public would violate a privilege or lead to the disclosure of information or confidentiality protected by law, including matters related to the initiation and conduct of investigations of possible or certain violations of law."

EXECUTIVE SESSION

Senator Blake moved that the Committee enter into Executive Session. Mr. Pandeladis seconded the motion, which passed unanimously.

Executive Session concluded at 11:55 A.M. and the meeting returned to Regular Session.

Ambassador Silverstein left the meeting.

Senator Blake moved that the Public School Employees' Retirement Board (the "Board"), in accordance with the recommendation of the Pension Consultant for Act 5 Implementation Request for Proposal Evaluation Committee for PSERS RFP 2017-6, recommends that the Board retain Charles W. Cammack Associates as the Pension Consultant for a contract term not to exceed five-years. The final terms and conditions of the investment contract must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate

ACT 5 IMPLEMENTATION

signatures on, or by a memo to that effect appended to, the implementing investment contract. Mr. Davis seconded the motion, which passed unanimously.

INVESTMENT BOOK OF RECORD (IBOR)

Mr. Gallagher moved that the Public School Employees' Retirement Board (the "Board"), in accordance with the recommendation of the Pension Consultant for Investment Book of Record Request for Proposal Evaluation Committee for PSERS RFP 2017-5, recommends that the Board retain Ernst & Young, LLP as the Pension Consultant for a contract term not to exceed five-years. The final terms and conditions of the investment contract 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. Ms. Lastner seconded the motion, which passed unanimously.

812 MARKET, LLC

Mr. SantaMaria moved that the Public School Employees' Retirement Board (Board) hereby invests an amount not to exceed \$5 million, in 812 Market, LLC for the purpose of acquiring real property located in Harrisburg, Pennsylvania, in accordance with the recommendation of Charles J. Spiller, Deputy Chief Investment Officer, Non-Traditional Investments, dated December 6, 2017. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract. Senator Blake seconded the motion, which passed with one abstention, being Mr. Craig on behalf of Treasurer Torsella.

LEGAL COUNSEL

Ms. Connors moved that the Public School Employees' Retirement Board (Board) hereby authorizes the Secretary of the Board to notify the Governor's Office of General Counsel that, pursuant to section 8501(e) of the Public School Employees' Retirement Code, 24 Pa.C.S. §8501(e), and section 409 of the Act of June 12, 2017, P.L. 11, No. 5, the Board will commence employing its own legal counsel for all of the Board's legal services, effective January 1, 2018. Ms. Lemmo seconded the motion, which passed unanimously.

LEGAL COUNSEL - TRANSITION

Ms. Connors moved that The Board hereby authorizes the Executive Office, working with its Chief Counsel, to perform any actions as necessary or prudent to effectuate the transition under section 8501(e) of the Public School Employees' Retirement Code, 24 Pa.C.S. §8501(e), including, but not limited to:

- a. Developing a Policy Manual for Attorneys;
- b. Revising current contracts with outside counsel and Hearing Examiners, as necessary;
- c. Developing procedures for hiring outside counsel and Hearing Examiners;
- d. Revising the Memorandum of Understanding with the Pennsylvania Municipal Retirement System (PMRS), as necessary;
- e. Developing procedures for contract approval by, and debt collection and criminal referrals to, the Office of Attorney General; and
- f. Developing procedures to continue cooperation with the State Employees' Retirement System (SERS) on legal issues.

Senator Blake seconded the motion, which passed unanimously.

Ms. Lemmo moved that effective January 1, 2018, the Public School Employees' Retirement Board (Board) hereby retains Charles K. Serine as its Chief Counsel, at his current annual salary, and authorizes the retention of all attorneys currently on staff at their current titles and annual salaries, as set forth in OCC organizational chart dated November 2017, and, with the concurrence of the Executive Director, to retain or hire any other counsel, either in-house counsel or outside counsel, as they deem necessary and appropriate. Ms. Connors seconded the motion, which passed unanimously.

LEGAL COUNSEL -  
HIRING

Mr. Serine extended his thanks to the Board for their vote of confidence and assured the Board that he and his staff will continue to perform to the best of their abilities.

Mr. Gallagher gave a brief synopsis of his attendance at the International Centre for Pension Management Board Effectiveness Program at the Rotman School of Management, University of Toronto.

BOARD EDUCATION

Mr. Grell distributed certificates to the attendees of the October NCTR Conference in Arizona.

Vice Chairman Mains adjourned the meeting at 12:24 P.M.

ADJOURNMENT

NEXT MEETING

The next regularly scheduled meeting of the Public School Employees' Retirement Board will be held on January 18, 2018, at PSERS' Headquarters, 5 N. 5<sup>th</sup> Street, Harrisburg, PA.

1/2/2018  
Date

  
Glen R. Grell  
Executive Director