

 Public School Employees' Retirement Board F&A Work Plan Items 2023	Start date	End date	Date Flexibility (can be earlier, but not later)	Frequency	Committee Action Item	Board Action Item	Training	January	February	March	April	May	June	July	August	September	October	November	December	Special Comments
	Finance and Actuarial Committee																			
The Committee Chair is to set the dates and times of the committee meetings.		1/20/23	No	Annually	No	No		x												Meet at least 4 times a year Notification by Committee Chair for 2023 only
Elect Chair		1/31/24	No	Biennially	Yes	No														No action needed in 2023
Elect Vice-Chair		1/31/24	No	Biennially	Yes	No														No action needed in 2023
Conduct a self-evaluation of the Committee's performance as part of the Board's self-evaluation process.		TBD-2024	Yes	Annually	No	No														Contingent on the development of the Board's self-evaluation process.
Review the Committee Charter at least every three years.	last reviewed 3/2022	3/1/25	No	Every 3 years	Yes	Yes														Next required review by March 2025. Any proposed changes are to be referred to the Governance and Administration Committee. If no proposed changes, then the Committee's report to the Board will document that the charter was reviewed and no changes were referred.
A. Activities Conducted on behalf of the Board																				
1. Conduct the search for the independent external actuary, with the assistance of staff, and make recommendations to the Board. The Committee should ensure that an RFP is issued for the independent external actuary contract at least every five (5) years unless the Board chooses otherwise.	7/1/23	6/30/24	No	Every 5 years	Yes	Yes														The Search and selection is the responsibility of the Committee. The external actuary chosen by the Committee is approved by the Board.
1.a Review Statement of Work/evaluation criteria		9/1/23	Yes	As Needed, specify date	Yes	No								X						Executive session
1.b Make recommendations of voting members of the evaluation committee to board chair		10/1/23	Yes	As Needed, specify date	Yes	No											x			Executive session
1.c Make selection		3/31/24	No	As Needed, specify date	Yes	Yes														
2. At least annually, meet individually with the CFO and the independent external actuary without other staff present to ensure there has been no undue influence on their activities or reporting to the Committee or the Board.		12/15/23	Yes	Annually	No	No												X		This occurs in Executive session before the valuation and ECR are approved.

3. Evaluate the performance of the independent external actuary annually and provide feedback regarding performance and future expectations.		TBD	Yes	Annually	No	No										This will be conducted in Exec session. Should coincide with the development of the statement of work for the RFP. In future years this can occur in December
B. Recommend direction and policy to the full Board:																
1. Annually identify anticipated financial, investment valuation, actuarial, contribution and related collections, banking including benefit and administrative expense disbursements and shared risk contribution policy priorities and establish a calendar of anticipated policy decisions and discuss with the Board.		March or June 2023 (TBD with Committee chair)	Yes	Annually	Yes	Yes										X
1.a Identify policy priorities for 2024		3/1/23	Yes	Annually	Yes	No									X	x
1.b Establish calendar of policy decisions for 2024		3/1/23	Yes	Annually	Yes	No									X	x
1.c Discuss and recommend policy decisions for 2024 with the Board		12/1/23	Yes	As Needed, specify date	Yes	Yes									x	x
2. Review and make recommendations to the Board on all policies and any amendments governing financial, investment valuation, actuarial, contribution and related collections, banking including benefit and administrative expense disbursements, and shared risk contribution issues.			Yes	Annually	Yes	Yes									x	x
3.a Identify the policies owned by the committee		6/1/23	No	As Needed, specify date	Yes	Yes									X	x
3.b Review the policies owned by the committee and make recommendations to the Board of any recommended modification.		12/1/23	Yes	Annually	Yes	Yes									x	x
4. Review and make recommendations to the Board regarding funding risk through an asset liability management framework to guide investment strategy and actuarial policies.		12/15/23	No	Annually	Yes	Yes									x	x
5. Review and make recommendations to the Board on significant financial principles, asset liability management and funding risk methodologies, and actuarial methods.		10/20/23 and 12/15/23	No	Annually	Yes	Yes									x	Financial principles due date is 10/20/23 and the due date for the remaining items is 12/15/23
5a. Financial principles		10/20/23	No	Annually	Yes	Yes									x	x
5b. asset liability management and funding risk methodologies, and actuarial methods		12/15/23	No	Annually	Yes	Yes									x	x
6. Review and make recommendations to the Board on vital signs and metrics relative to financial management of the System and identify tolerances for acceptable vs unacceptable variability in performance		6/30/23	Yes	Annually	Yes	Yes									X	August 2023 and then reviewed each January thereafter.
C. Recommend approval of key decisions:																

1. Review and approve the annual fiscal year budget request prepared by the Office of Financial Management for the pension administrative, defined contribution administrative, directed commissions, healthcare-PSERS administrative and investment-related expenses budgets for the next fiscal year prior to their submission to the Governor's Budget Office.	10/20/23	No	Annually	Yes	Yes													x		Set by Budget Office. Cannot be after the 20th.
2. Review and recommend adoption of the actuarial factors, assumptions and methodologies included in the annual actuarial valuation to calculate the employer contribution rate.	12/15/23	No	Annually	Yes	Yes														x	The date can be modified to occur between 12/15 or the first Friday that occurs thereafter
3. Review and recommend certification, each December, of the total employer contribution rate for use by employers in the next fiscal year as recommended by PSERS' external actuary.	12/15/23	No	Annually	Yes	Yes														x	The date can be modified to occur between 12/15 or the first Friday that occurs thereafter
4. Every three (3) years, review and recommend certification of the member shared risk contribution rate for the next three fiscal years as recommended by PSERS' external actuary for class T-E, T-F, T-G and T-H members.	12/15/23	No	Every 3 years	Yes	Yes														x	The date can be modified to occur between 12/15 or the first Friday that occurs thereafter
5. Every five (5) years, review and recommend adoption of the actuarial factors, demographic and economic assumptions, and methodologies recommended by PSERS' external actuary and Agency staff.	8/15/26	Yes	Every 5 years	Yes	Yes															Can occur occur after August 15th but no later than September 15th. Next review occurs in 2026
6. Every five (5) years, review and recommend approval of new actuarial administrative option factors, as needed, and the date to implement the factors in PSERS' benefits administration system as recommended by Agency staff and PSERS' external actuary.	8/15/26	Yes	Every 5 years	Yes	Yes															Can occur after August 15th but no later than September 15th. Next review occurs in 2026.
7. Recommend approval of staff complement for the Office of Financial Mgt to the Board	6/30/23	Yes	Annually	Yes	No														x	This item is not part of the F&A Charter but is considered an important work item for the F&A committee
D. Oversee Board-approved direction (see committee charter for scope)																				
1. Oversee the financial soundness of the overall PSERS System, including annual review of unfunded liability, overall pension soundness and sustainability, and the healthcare programs, defined contribution plan and any other programs offered.																				Accomplished through actuarial review and the financial statements. See training below.
2. Review and evaluate periodic updates on the status of the current year budget with Office of Financial Management staff.		Yes	Quarterly	No	No														x	Quarterly Budget Updates will be provided as of December 31, 2022 and March 31, 2023. No update in September. End of Fiscal year covered with approval of budget.

