

BOARD OF EDUCATION RETIREMENT SYSTEM

Board Meeting Agenda

November 12, 2025

1. Calendar Item 1: Noting of the Minutes of the Meeting of the Board of Education Retirement System held on May 13, 2025 – **FOR CONSIDERATION AND ACTION.**
2. Executive Director's Update – **FOR DISCUSSION.**
3. Calendar Items 2-17: Ordinary Business – **FOR CONSIDERATION AND ACTION.**
4. Calendar Item 18: Adoption of the Actuary's Recommendation Regarding the Tier III/IV/VI Loan Insurance Premium Rate for Fiscal Year 2026 – **FOR CONSIDERATION AND ACTION.**
5. Calendar Item 19: Adoption of the Disability Committee's Recommendations – **FOR CONSIDERATION AND ACTION.**
6. Calendar Item 20: Authorization to the Comptroller of the City of New York to Invest, Sell and Exchange the Funds of the Retirement System – **FOR CONSIDERATION AND ACTION.**
7. Calendar Item 21: Adoption of an Amendment to the Investment Policy Statement of the Board of Education Retirement System – **FOR CONSIDERATION AND ACTION.**
8. Calendar Item 22: Adoption of an Amendment to the Authority and Procedure of the Executive Committee of the Board of Education Retirement System – **FOR CONSIDERATION AND ACTION.**
9. Calendar Item 23: Authorization to the Executive Committee to Approve Certain Transactions – **FOR CONSIDERATION AND ACTION.**
10. Calendar Item 24: Fiscal Year 2026 Budget Presentation - **FOR DISCUSSION.**
11. Calendar Item 25: Authorization to Enter into an Agreement with Segal Marco Advisors to Provide Investment Consulting Services to the Board of Education Retirement System – **FOR CONSIDERATION AND ACTION.**
12. Calendar Item 26: Authorization to Enter into an Agreement with Capstone Strategy Group, LLC to Provide Automated Identity Verification Solution for Integration into the Board of Education Retirement System Comprehensive Pension Management System – **FOR CONSIDERATION AND ACTION.**

13. Calendar Item 27: Authorization to Amend an Agreement with Vitech Systems Sub LLC – **FOR CONSIDERATION AND ACTION.**
14. Calendar Item 28: Annual Update on Climate Change – **FOR DISCUSSION.**
15. Calendar Item 29: Developed Market ex US – **FOR CONSIDERATION AND ACTION.**
16. Calendar Item 30: Excluded Security Review – **FOR DISCUSSION.**
17. Calendar Item 31: 2025 Annual Plans Public Equity and Fixed Income – **FOR DISCUSSION.**
18. Calendar Item 32: Adoption of BERS Bylaws – **FOR CONSIDERATION AND ACTION.**
19. Calendar Item 33: Election of Alternate Member of Audit Committee – **FOR CONSIDERATION AND ACTION.**

**Board of Education Retirement
System Meeting of the Board of
Trustees Summary Minutes
May 13, 2025**

Appearances:

Adriana Alecia
Karine Apollon
Marjorie Dienstag
John Dorsa
Gregory Faulkner
Anthony Giordano
Dr. Angela Green
Naveed Hasan

Alice Ho
Rima Izquierdo
Dr. Darling Miramey
Donald Nesbit
Sharon Odwin
Maisha Sapp
Frank Sirabella

Meeting commenced at approximately 4:52 PM.

Agenda Item 1 – Calendar Item 1: Noting of the Minutes of the Meeting of the Board of Education Retirement System held on March 18, 2025. On a motion by Ms. Apollon and a second by Mr. Giordano, this item was approved with one abstention from Ms. Izquierdo.

Agenda Item 2 – Executive Director Update

Agenda Item 3 – Calendar Item 2 – 17: Ordinary Business. On a motion by Ms. Apollon and a second by Ms. Dienstag, this item was unanimously approved.

Agenda Item 4 – Calendar Item 18: Authorization of the Rebalancing of Funds of the Board of Education Retirement System. On a motion by Ms. Apollon and a second by Ms. Ho, this item was unanimously approved.

Agenda Item 5 – Calendar Item 19: Adoption of the Actuary's Determination for the Final Fiscal Year 2025 Employer Contribution. On a motion by Ms. Apollon and a second by Mr. Giordano, this item was unanimously approved.

Agenda Item 6 – Calendar Item 20: Adoption of the Disability Committee's Recommendations. On a motion by Ms. Apollon and a second by Ms. Dienstag, this item was unanimously approved.

Agenda Item 7 - Calendar Item 21: Authorization to Amend an Agreement with Vitech Systems Sub LLC. On a motion by Ms. Apollon and a second by Ms. Ho, this item was approved with one abstention from Mr. Dorsa.

Agenda Item 8 - Calendar Item 22: BERS Operations Department Staffing Analysis. On a motion by Ms. Apollon and a second by Ms. Dienstag, this item was discussed.

Agenda Item 9 - Calendar Item 23: Budget Review. On a motion by Ms. Apollon and a second by Mr. Faulkner, this item was considered. On a motion by Mr. Dorsa and a second by Ms. Ali, the motion to table failed with three in favor (Ms. Ali, Ms. Aubin, Mr. Dorsa), thirteen opposed (Ms. Alicea, Ms. Apollon, Ms. Dienstag, Mr. Faulkner, Mr. Giordano, Dr. Green, Mr. Hasan, Ms. Ho, Ms. Izquierdo, Mr. Nesbit, Ms. Odwin, Ms. Sapp, Mr. Sirabella) and one abstention from Dr. Darling Miramey. On a motion by Mr. Faulker and a second by Ms. Dienstag, the motion to vote on the budget failed with opposition from Mr. Dorsa and two abstentions from Ms. Ali and Ms. Izquierdo.

Agenda Item 10 – Calendar Item 24: Authorization to Extend an Agreement with Industrial Staffing Services Inc. to Provide Temporary Staffing Services to the Board of Education Retirement System. On a motion by Ms. Apollon and a second by Ms. Ho, this item was approved with one abstention from Mr. Dorsa.

Agenda Item 11 – Calendar Item 25: Authorization to Enter into a Lease Agreement. On a motion by Mr. Giordano and a second by Mr. Dorsa, this item was unanimously approved.

On a motion by Ms. Apollon and a second by Ms. Ho, the meeting was adjourned at approximately 6:22 PM.

**Authority and Procedure of the Executive Committee
Of the Board of Education Retirement System**

*Latest amendment: **October 2025***

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1. Statement of Purpose

The purpose of the Executive Committee ("Committee") is to assist the Board of Trustees by (1) providing oversight of BERS assets, strategy, and investment guidelines, (2) representing the Board of Trustees at Meetings, (3) authorizing certain types of investment decisions, as described below, (4) providing oversight of BERS budget matters and ensuring sufficient resources are available to fund operations and (5) performing such related functions as may be designated by the Board of Trustees.

2. Appointment and Membership

Appointment of the members of the Executive Committee shall occur on an annual basis at the first meeting of the Board of Trustees each calendar year.

The Executive Committee shall consist of five (5) members of the Board of Trustees, including the Chancellor of the Board of Education (or designee), the two (2) employee members of the Board, and two (2) other members of the Board.

For each member appointed by the Board to the Committee, the Board may designate an alternate Committee member to serve for the member's duration on the Committee in the event of the death, disability, disqualification or withdrawal of the Committee member. In the event of a Committee member's absence from a meeting of the Committee, the respective alternate Committee member shall possess all of the power and responsibilities of said Committee member for the duration of the meeting, and the alternate Committee member's presence at the meeting shall be counted for the purpose of establishing a quorum.

In the event of a Committee member's absence from a meeting of the Committee, and the absence of that Committee member's alternate, another alternate Committee member may assume all of the powers and responsibilities of said Committee member for the duration of the meeting. The alternate Committee member's presence at the meeting shall be counted for the purpose of establishing a quorum-however, in no event shall an alternate Committee member attend a meeting on behalf of more than one Committee member. Notwithstanding the foregoing, the powers and responsibilities of the Chancellor may be assumed only by a Chancellor's designee, the powers and responsibilities of the Comptroller may be assumed only by a Comptroller's designee, and the powers and responsibilities of an employee member may be assumed only by that employee member's respective alternate employee member.

3. Conflicts of Interest

Potential conflicts of interest on the parts of the Committee members are addressed by Chapter 68 of the New York City Charter and the Rules of the New York City Conflicts of Interest Board. Members are required to recuse themselves from any Committee activities related to the conflict of interest on a case by case basis.

4. Procedure

(a) Executive Committee Policies and Procedures

The Board of Trustees shall have the power to adopt rules for the conduct of the business of the Executive Committee.

(b) Chair

- a. The Committee Chair shall be the Chair of the Board of Trustees.
- b. If the Chair is unable to attend a meeting, Committee members will be polled prior to that meeting and a substitute Chair, for the purposes of that meeting only, will be identified among those members who have indicated that they will be present.

(c) Meetings

- a. The Executive Committee shall meet as often as it may deem necessary or appropriate to accomplish the purposes of the Executive Committee.
- b. Notice of the meetings of the Executive Committee may be given by hand delivery, by deposit in the U.S. Mail, by express mail, by electronic facsimile, or by electronic mail.
- c. The Executive Committee shall undertake any measures necessary for conducting its meetings in compliance with Article 7 of the New York Public Officers Law, also known as the Open Meetings Law.
- d. Members of the Executive Committee will be provided with an agenda in advance of each Meeting.

(d) Quorum

- a. A majority of the members of the Executive Committee shall constitute a quorum.
- b. In the absence of a quorum, a lesser number may adjourn the meeting.
- c. The following shall be necessary for any act of the Executive Committee: (a) the presence of a quorum; (b) an vote in favor by a majority of members present; and (c) the concurrence of one employee member of the Board.

5. Responsibilities and Duties of the Executive Committee

The responsibilities and duties of the Executive Committee shall include the following:

- (a) Review BERS investment policy and strategies and provide policy guidance to management and to the Board of Trustees. Such guidance shall include but not be limited to:
 - a. Overall investment strategy and guidelines for BERS funds;
 - b. Evaluation of asset classes for investment;

- c. Selection of new investment managers;
 - d. Termination of existing investment managers; and
 - e. Review of the performance of BERS funds and its investment managers.
- (b) Represent the Board of Trustees at Investment Meetings;
- (c) Subject to annual authorization by the Board of Trustees as described in Section 7 below, the Committee will have the power to:
- i. Approve new index fund managers for inclusion in the BERS Investment Portfolio (the "Portfolio");
 - ii. Approve new active public market managers and programs for inclusion in the Portfolio (up to **\$350** million per manager or program);
 - iii. Approve new private market managers and programs for inclusion in the Portfolio (up to \$50 million per manager or program);
 - iv. Approve additional investments in funds previously approved by the Board, or their successor funds, on substantively identical terms; and
 - v. Reauthorize BERS participation in previously approved strategic initiatives of the Office of the Comptroller, in instances where the prior time limit has expired or the prior dollar threshold has been surpassed.
- (d) Review the annual operating budget as recommended by BERS management;
- (e) Recommend the proposed budget to the Board of Trustees annually;
- (f) Periodically review the budget process and format with BERS management;
- (g) Provide oversight of the BERS financial reporting process, system of internal controls, internal and external audit processes;
- (h) Approve the annual Shareholder Engagement Plan as proposed by the NYC Comptroller's Office of Corporate Governance;
- (i) Periodically review, modify, and approve proxy voting guidelines;
- (j) Review and approve shareholder letters and other engagements proposed by the NYC Comptroller's Office of Corporate Governance on behalf of the BERS Board of Trustees;
- (k) Authorize the Executive Director to enter into contracts on behalf of BERS, subject to thresholds that the Board shall determine from time to time;
- (l) Review any management proposals for increases to BERS managerial employee compensation which would exceed the thresholds set in the Policy Regarding Compensation for BERS Managerial Employees; and
- (m) Perform any other duties that are assigned to it by the Board.

6. **Communications**

The Committee will report orally or in writing to the Board of Trustees on other matters discussed at the most recent Committee meeting. Meeting minutes will be provided to the Board.

In addition, the Committee will submit quarterly written reports of its activities to the Board of Trustees, and will render special reports whenever requested by the Board of Trustees.

7. Periodic Review

As part of its duties to assist the Board of Trustees, the Executive Committee may propose changes to these Rules. The Committee will review and assess the adequacy of the Executive Committee Rules as may be required. The Committee will submit proposed revisions to the Board of Trustees for its approval.

The Committee's authority to approve certain transactions, as described in Section 5(c) above, will expire at the end of each calendar year unless affirmatively extended by a resolution of the Board. The length of each such extension shall not exceed one calendar year. Notwithstanding the foregoing, should the Board fail to vote on whether to extend the Committee's authority to approve such transactions prior to the end of a calendar year, the Committee's authority shall continue until the next meeting of the Board, when the Board shall vote on whether to extend such authority.

While the authority described under Section 5(c) remains in force, the Board must also review the following factors at least once per year, in considering whether to extend the grant of such authority:

- i. the present holdings in the Portfolio;
- ii. any marked changes in the Portfolio during the preceding period;
- iii. the reasons for such changes and the results achieved thereby;
- iv. the investment activity in the Portfolio, including the rate of turnover; and
- v. any other factors the Board considers pertinent to an analysis of the financial performance and planning, consistent with its obligation as a fiduciary.

8. Effect

This amended Authority and Procedure of the Executive Committee of the Board of Education Retirement System shall be effective immediately upon its adoption by the Board of Trustees.



■ **FY 2026
Administrative
Budget**

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► Proposed Administrative Budget FY 2026

Proposed Budget	\$47,822,678
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Personal services (PS)	\$34,829,963
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<u>Other than personal services (OTPS)</u>	<u>\$12,992,715</u>
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▀ Budget Trend

	FY2024	FY2025	FY2026 (proposed)
PS Budget	\$23,887,331	\$24,726,409	\$34,829,963
OTPS Budget	\$10,209,241	\$11,150,548	12,992,716
Total	\$34,096,573	\$35,876,957	\$47,822,678
<u>Headcount</u>			
Full time employees	166	169	239
Temporary Staff	10	22	3



Key drivers for FY 2026

PS Budget

- **Required Changes: \$5.14M**
 - 6.52% increase in Fringe Rate : \$4.07M
 - 3.25% Contractual increases : \$544K
 - Title and level adjustments : \$531K
 - Decrease in Overtime : (\$124)K
- **Additional HC Request (70) : \$5.08M**



Key drivers for FY 2026

OTPS Budget

- \$1.32M- Vitech Maintenance and Support
- \$350K- Velocity License and Support
- \$350K- Computer, network configuration and other hardware
- \$230K – Virtual Desktop infrastructure
- \$200K- Telecommunications – Cloud based solution
- \$200K- Automated Identity Verification solution
- \$190K – Rent and Overheads
- **(\$903K)- 65%** reduction in the Temporary staff cost



▸ *Thank you*

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NOVEMBER 2025

**AUTHORIZATION TO ADOPT THE ACTUARY'S RECOMMENDATION REGARDING
THE TIER III/IV/VI LOAN INSURANCE PREMIUM RATE FOR FISCAL YEAR 2026**

WHEREAS, in accordance with the legislation establishing a Loan Program for Tier III/IV/VI members of the New York City Board of Education Retirement System, the Board of Trustees is required, at least annually, to review the Loan Insurance Premium Rate applicable to the Loan Program; and

WHEREAS, based on prior recommendations from the Actuary, such Loan Insurance Premium Rate has been set each year at 0.50% per annum of the outstanding loan balances for loans originating between July 1, 1991 and June 30, 1998, at 0.30% per annum of the outstanding loan balances for loans originating between July 1, 1998 and June 30, 2015, and at 0.20% per annum of the outstanding loan balances for loans originating between July 1, 2015 and June 30, 2025; and

WHEREAS, in a Report dated June 3, 2025, the Actuary has analyzed the experience and current status of the Loan Program, concluded that no change needs to be made and recommends to the Board of Trustees that the Loan Insurance Premium Rate be continued at 0.20% per annum of the outstanding loan balances for any loans originating during Fiscal Year 2026 (i.e., July 1, 2025 through June 30, 2026); now, therefore, be it

RESOLVED, that the Board of Trustees hereby adopts the recommendation of the Actuary as stated in a Report dated June 3, 2025, and stipulates the Tier III/IV/VI Loan Insurance Premium Rate be continued at its current rate of 0.20% per annum of the outstanding loan balances for any loans originating during Fiscal Year 2026 (i.e., July 1, 2025 through June 30, 2026).

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

ADOPTION OF THE DISABILITY COMMITTEE'S RECOMMENDATIONS

- WHEREAS,** the Disability Committee of the Board of Trustees ("Disability Committee") held a meeting on September 30, 2025; and
- WHEREAS,** the Disability Committee reviewed 19 applications for disability retirement; and
- WHEREAS,** the Disability Committee has made recommendations to the Board of Trustees regarding 19 applications; now therefore be it
- RESOLVED,** that the Board of Trustees hereby adopts the recommendations of the Disability Committee with regard to the applications reviewed on September 30, 2025.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

**AUTHORIZATION TO THE COMPTROLLER OF THE CITY OF NEW YORK TO INVEST,
SELL AND EXCHANGE THE FUNDS OF THE RETIREMENT SYSTEM**

- WHEREAS,** in order that the receipts of monies, as and when they are credited to the fund, may be invested at the earliest possible moment, it is necessary that the Comptroller of the City of New York (the Comptroller), as custodian of the funds of the Board of Education Retirement System (BERS), be authorized to invest the available cash funds of said System, as they accumulate; now therefore be it
- RESOLVED,** that the Comptroller, as custodian of the funds of BERS, is hereby authorized to invest the funds of said System during the period of July 01, 2025 to March 31, 2026, in any investment authorized pursuant to the Administrative Code of the City of New York, the Retirement and Social Security Law, the Education Law, the Banking Law or as otherwise authorized by the laws governing the investments of said System, provided the Trustees of said System have heretofore approved such investment or hereafter approve such investment; and be it further
- RESOLVED,** that during the term of this delegation, investments in any asset class or category not previously authorized by BERS shall be made by the Comptroller only with the prior approval of the Trustees of said System; and be it further
- RESOLVED,** that the Comptroller is authorized to hold, sell, assign, transfer or dispose of any of the properties, securities or investments in which any of the funds of BERS shall have been invested, including the proceeds of such investments and any monies belonging to such fund, subject to the terms, conditions, limitations and restrictions imposed by law upon the Trustees of said System; and be it further
- RESOLVED,** that the Comptroller is authorized to execute BERS' corporate governance policy, including casting BERS' proxy votes, engaging portfolio companies and regulators, and submitting shareowner proposals that have been approved by the BERS Board of Trustees or a Committee of the Board authorized to approve shareholder proposals; and be it further
- RESOLVED,** that any termination, expiration or revocation of this delegation to invest shall not affect any binding commitment previously made by the Comptroller pursuant to such delegation and the Comptroller shall have the power to discharge fully any such binding commitment according to its terms.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

**AMENDMENT TO THE INVESTMENT POLICY STATEMENT OF
THE BOARD OF EDUCATION RETIREMENT SYSTEM**

- WHEREAS,** the Board of Trustees of the Board of Education Retirement System of the City of New York has adopted an Investment Policy Statement (IPS) for the System, which IPS was most recently amended in December 2021; and
- WHEREAS,** the Board has received a recommendation from the BERS Investment Department regarding additional amendments to the Investment Policy Statement to reflect an amendment to the Authority and Procedure of the Executive Committee of the Board; and
- WHEREAS,** upon due consideration, the Board deems it appropriate to amend its Investment Policy Statement; now therefore be it
- RESOLVED** that the Board hereby amends its Investment Policy Statement.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

**AMENDMENT TO THE AUTHORITY AND PROCEDURE OF THE EXECUTIVE
COMMITTEE OF THE BOARD OF EDUCATION RETIREMENT SYSTEM**

- WHEREAS,** the Retirement Board (“the Board”) adopted the Authority and Procedure of the Executive Committee of the Board of Education Retirement System (BERS) in January 2017 to more efficiently and effectively manage its duties; and
- WHEREAS,** the Board thereafter amended the Authority and Procedure of the Executive Committee in February 2020, December 2021, June 2022, September 2022, and October 2022; and
- WHEREAS,** the Board seeks to amend the Authority and Procedure of the Executive Committee to permit the Committee to approve new active public market managers and programs for inclusion in the Portfolio (up to \$350 million per manager or program); now therefore be it
- RESOLVED,** that the Board hereby amends the Authority and Procedure of the Executive Committee as follows:

1. Statement of Purpose

The purpose of the Executive Committee (“Committee”) is to assist the Board of Trustees by (1) providing oversight of BERS assets, strategy, and investment guidelines, (2) representing the Board of Trustees at Meetings, (3) authorizing certain types of investment decisions, as described below, (4) providing oversight of BERS budget matters and ensuring sufficient resources are available to fund operations and (5) performing such related functions as may be designated by the Board of Trustees.

2. Appointment and Membership

Appointment of the members of the Executive Committee shall occur on an annual basis at the first meeting of the Board of Trustees each calendar year.

The Executive Committee shall consist of five (5) members of the Board of Trustees, including the Chancellor of the Board of Education (or designee), the two (2) employee members of the Board, and two (2) other members of the Board.

For each member appointed by the Board to the Committee, the Board may designate an alternate Committee member to serve for the member’s duration on the Committee in the event of the death, disability, disqualification or withdrawal of the Committee member. In the event of a Committee member’s absence from a meeting of the Committee, the respective alternate Committee member shall possess all of the power and responsibilities of said Committee member for the duration of the meeting, and the alternate Committee member’s presence at the meeting shall be counted for the purpose of establishing a quorum.

In the event of a Committee member's absence from a meeting of the Committee, and the absence of that Committee member's alternate, another alternate Committee member may assume all of the powers and responsibilities of said Committee member for the duration of the meeting. The alternate Committee member's presence at the meeting shall be counted for the purpose of establishing a quorum-however, in no event shall an alternate Committee member attend a meeting on behalf of more than one Committee member. Notwithstanding the foregoing, the powers and responsibilities of the Chancellor may be assumed only by a Chancellor's designee, the powers and responsibilities of the Comptroller may be assumed only by a Comptroller's designee, and the powers and responsibilities of an employee member may be assumed only by that employee member's respective alternate employee member.

3. Conflicts of Interest

Potential conflicts of interest on the parts of the Committee members are addressed by Chapter 68 of the New York City Charter and the Rules of the New York City Conflicts of Interest Board. Members are required to recuse themselves from any Committee activities related to the conflict of interest on a case by case basis.

4. Procedure

(a) Executive Committee Policies and Procedures

The Board of Trustees shall have the power to adopt rules for the conduct of the business of the Executive Committee.

(b) Chair

- a. The Committee Chair shall be the Chair of the Board of Trustees.
- b. If the Chair is unable to attend a meeting, Committee members will be polled prior to that meeting and a substitute Chair, for the purposes of that meeting only, will be identified among those members who have indicated that they will be present.

(c) Meetings

- a. The Executive Committee shall meet as often as it may deem necessary or appropriate to accomplish the purposes of the Executive Committee.
- b. Notice of the meetings of the Executive Committee may be given by hand delivery, by deposit in the U.S. Mail, by express mail, by electronic facsimile, or by electronic mail.
- c. The Executive Committee shall undertake any measures necessary for conducting its meetings in compliance with Article 7 of the New York Public Officers Law, also known as the Open Meetings Law.
- d. Members of the Executive Committee will be provided with an agenda in advance of each Meeting.

(d) Quorum

- a. A majority of the members of the Executive Committee shall constitute a quorum.

- b. In the absence of a quorum, a lesser number may adjourn the meeting.
- c. The following shall be necessary for any act of the Executive Committee:
 - (a) the presence of a quorum; (b) an vote in favor by a majority of members present; and (c) the concurrence of one employee member of the Board.

5. Responsibilities and Duties of the Executive Committee

The responsibilities and duties of the Executive Committee shall include the following:

- (a) Review BERS investment policy and strategies and provide policy guidance to management and to the Board of Trustees. Such guidance shall include but not be limited to:
 - a. Overall investment strategy and guidelines for BERS funds;
 - b. Evaluation of asset classes for investment;
 - c. Selection of new investment managers;
 - d. Termination of existing investment managers; and
 - e. Review of the performance of BERS funds and its investment managers.
- (b) Represent the Board of Trustees at Investment Meetings;
- (c) Subject to annual authorization by the Board of Trustees as described in Section 7 below, the Committee will have the power to:
 - i. Approve new index fund managers for inclusion in the BERS Investment Portfolio (the "Portfolio");
 - ii. **Approve new active public market managers and programs for inclusion in the Portfolio (up to \$350 million per manager or program);**
 - iii. Approve new private market managers and programs for inclusion in the Portfolio (up to \$50 million per manager or program);
 - iv. Approve additional investments in funds previously approved by the Board, or their successor funds, on substantively identical terms; and
 - v. Reauthorize BERS participation in previously approved strategic initiatives of the Office of the Comptroller, in instances where the prior time limit has expired or the prior dollar threshold has been surpassed.
- (d) Review the annual operating budget as recommended by BERS management;
- (e) Recommend the proposed budget to the Board of Trustees annually;
- (f) Periodically review the budget process and format with BERS management;
- (g) Provide oversight of the BERS financial reporting process, system of internal controls, internal and external audit processes;

- (h) Approve the annual Shareholder Engagement Plan as proposed by the NYC Comptroller's Office of Corporate Governance;
- (i) Periodically review, modify, and approve proxy voting guidelines;
- (j) Review and approve shareholder letters and other engagements proposed by the NYC Comptroller's Office of Corporate Governance on behalf of the BERS Board of Trustees;
- (k) Authorize the Executive Director to enter into contracts on behalf of BERS, subject to thresholds that the Board shall determine from time to time;
- (l) Review any management proposals for increases to BERS managerial employee compensation which would exceed the thresholds set in the Policy Regarding Compensation for BERS Managerial Employees; and
- (m) Perform any other duties that are assigned to it by the Board.

6. Communications

The Committee will report orally or in writing to the Board of Trustees on other matters discussed at the most recent Committee meeting. Meeting minutes will be provided to the Board.

In addition, the Committee will submit quarterly written reports of its activities to the Board of Trustees, and will render special reports whenever requested by the Board of Trustees.

7. Periodic Review

As part of its duties to assist the Board of Trustees, the Executive Committee may propose changes to these Rules. The Committee will review and assess the adequacy of the Executive Committee Rules as may be required. The Committee will submit proposed revisions to the Board of Trustees for its approval.

The Committee's authority to approve certain transactions, as described in Section 5(c) above, will expire at the end of each calendar year unless affirmatively extended by a resolution of the Board. The length of each such extension shall not exceed one calendar year. Notwithstanding the foregoing, should the Board fail to vote on whether to extend the Committee's authority to approve such transactions prior to the end of a calendar year, the Committee's authority shall continue until the next meeting of the Board, when the Board shall vote on whether to extend such authority.

While the authority described under Section 5(c) remains in force, the Board must also review the following factors at least once per year, in considering whether to extend the grant of such authority:

- i. the present holdings in the Portfolio;
- ii. any marked changes in the Portfolio during the preceding period;
- iii. the reasons for such changes and the results achieved thereby;
- iv. the investment activity in the Portfolio, including the rate of turnover; and

- v. any other factors the Board considers pertinent to an analysis of the financial performance and planning, consistent with its obligation as a fiduciary.

8. Effect

This amended Authority and Procedure of the Executive Committee of the Board of Education Retirement System shall be effective immediately upon its adoption by the Board of Trustees.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

**AUTHORIZATION TO THE EXECUTIVE COMMITTEE
TO APPROVE CERTAIN TRANSACTIONS**

- WHEREAS,** the Board of Trustees (“the Board”) adopted the Authority and Procedure of the Executive Committee of the Board of Education Retirement System (BERS) in January 2017 to more efficiently and effectively manage its duties; and
- WHEREAS,** the Board thereafter amended the Authority and Procedure of the Executive Committee in February 2020, December 2021, June 2022, September 2022, and October 2022; and
- WHEREAS,** the Board, as head of BERS, is vested by law with the authority to approve all investment transactions on behalf of BERS; and
- WHEREAS,** in December 2021, recognizing that investment transactions must often be executed on relatively short notice, according to a calendar which does not necessarily align with scheduled Board meetings, the Board amended the Authority and Procedure of the Executive Committee to authorize the Executive Committee to approve certain investment transactions through December 31, 2022; and that authority was extended through December 31, 2023; and that authority was extended through December 31, 2024; and that authority was extended through December 31, 2025; and
- WHEREAS,** in considering whether to extend the grant of such authority, the Board has reviewed the following:
- i. the present holdings in the Portfolio;
 - ii. any marked changes in the Portfolio during the preceding period;
 - iii. the reasons for such changes and the results achieved thereby;
 - iv. the investment activity in the Portfolio, including the rate of turnover; and
 - v. other factors the Board considers pertinent to an analysis of the financial performance and planning, consistent with its obligation as a fiduciary; and
- WHEREAS,** having reviewed the foregoing, the Board wishes to extend the authority of the Executive Committee to approve certain investment transactions through December 31, 2026; now therefore be it

RESOLVED, that the Board hereby delegates its investment authority to the Executive Committee to the extent set forth herein through December 31, 2026:

the Executive Committee will have the power to:

- i. Approve new index fund managers for inclusion in the BERS Investment Portfolio (the "Portfolio");
- ii. Approve new active public market managers and programs for inclusion in the Portfolio (up to \$250 million per manager or program);
- iii. Approve new private market managers and programs for inclusion in the Portfolio (up to \$50 million per manager or program);
- iv. Approve additional investments in funds previously approved by the Board, or their successor funds, on substantively identical terms; and
- v. Reauthorize BERS participation in previously approved strategic initiatives of the Office of the Comptroller, in instances where the prior time limit has expired or the prior dollar threshold has been surpassed.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

**AUTHORIZATION TO THE EXECUTIVE COMMITTEE
TO APPROVE CERTAIN TRANSACTIONS**

- WHEREAS,** the Board of Trustees (“the Board”) adopted the Authority and Procedure of the Executive Committee of the Board of Education Retirement System (BERS) in January 2017 to more efficiently and effectively manage its duties; and
- WHEREAS,** the Board thereafter amended the Authority and Procedure of the Executive Committee in February 2020, December 2021, June 2022, September 2022, October 2022, and November 2025; and
- WHEREAS,** the Board, as head of BERS, is vested by law with the authority to approve all investment transactions on behalf of BERS; and
- WHEREAS,** in December 2021, recognizing that investment transactions must often be executed on relatively short notice, according to a calendar which does not necessarily align with scheduled Board meetings, the Board amended the Authority and Procedure of the Executive Committee to authorize the Executive Committee to approve certain investment transactions through December 31, 2022; and that authority was extended through December 31, 2023; and that authority was extended through December 31, 2024; and that authority was extended through December 31, 2025; and
- WHEREAS,** in considering whether to extend the grant of such authority, the Board has reviewed the following:
- i. the present holdings in the Portfolio;
 - ii. any marked changes in the Portfolio during the preceding period;
 - iii. the reasons for such changes and the results achieved thereby;
 - iv. the investment activity in the Portfolio, including the rate of turnover; and
 - v. other factors the Board considers pertinent to an analysis of the financial performance and planning, consistent with its obligation as a fiduciary; and
- WHEREAS,** having reviewed the foregoing, the Board wishes to extend the authority of the Executive Committee to approve certain investment transactions through December 31, 2026; now therefore be it

RESOLVED, that the Board hereby delegates its investment authority to the Executive Committee to the extent set forth herein through December 31, 2026:

the Executive Committee will have the power to:

- i. Approve new index fund managers for inclusion in the BERS Investment Portfolio (the "Portfolio");
- ii. Approve new active public market managers and programs for inclusion in the Portfolio (up to \$350 million per manager or program);
- iii. Approve new private market managers and programs for inclusion in the Portfolio (up to \$50 million per manager or program);
- iv. Approve additional investments in funds previously approved by the Board, or their successor funds, on substantively identical terms; and
- v. Reauthorize BERS participation in previously approved strategic initiatives of the Office of the Comptroller, in instances where the prior time limit has expired or the prior dollar threshold has been surpassed.

Respectfully Submitted,

Sanford R. Rich
Executive Director

AUTHORIZATION FOR THE ADOPTION OF AN ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2026 FOR THE BOARD OF EDUCATION RETIREMENT SYSTEM

- WHEREAS,** Chapter 307 of the Laws of 2002 was enacted on August 6, 2002; and
- WHEREAS,** Chapter 307 of the Laws of 2002 deems the administrative budget for the fiscal year beginning July 1, 2025 enacted by the retirement board to be effective as of the beginning of the fiscal year; and
- WHEREAS,** Chapter 307 of the Laws of 2002 authorizes the Retirement Board to establish a budget sufficient to fulfill the powers, duties and responsibilities set forth in the BERS rules and regulations and any other provision of law which sets forth benefits of members of the Retirement System and may draw upon the assets of the Retirement System to finance said budget; and
- WHEREAS,** the Executive Director and the administrative staff recommend as a budget for Fiscal Year 2026 a personnel services budget of \$ 34,829,963 that includes a fringe benefit cost of \$ 11,785,128 and an other than personnel services budget of \$ 12,992,716; and
- WHEREAS,** the Retirement Board has reviewed the Executive Director's budget request; now therefore be it
- RESOLVED,** that the Retirement Board of the Board of Education Retirement System adopts the Fiscal Year 2026 administrative budget and delegates to the Executive Director its powers within the authorized appropriation.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH SEGAL MARCO ADVISORS TO PROVIDE INVESTMENT CONSULTING SERVICES TO THE BOARD OF EDUCATION RETIREMENT SYSTEM

WHEREAS, the Board of Education Retirement System (“BERS”) has determined a need for general investment consulting services; and

WHEREAS, BERS released Request for Proposals (“RFP”) 2024—003 Investment Consulting Services;

WHEREAS, having reviewed the proposals submitted in response to the above referenced RFP, the evaluation committee has recommended Segal Marco Advisors (“Segal”) to provide such services;

WHEREAS, it is the desire of the Board of Trustees to contract with Segal for a period of three years commencing January 4, 2026, with an option to renew for two additional one-year periods; now therefore be it

RESOLVED, that the Board does hereby authorize the Executive Director to enter into a contract with Segal Marco Advisors to provide investment consulting services to the Board for the period of January 4, 2026 to January 3, 2029, with an option to renew for two additional one-year periods, at a cost not to exceed \$792,825 for the initial three years, and a cost not to exceed \$590,782.50 for the optional two year extension, such that the total contract cost does not exceed \$1,383,607.50 and subject to agreement by Segal, and if any of the foregoing terms are not agreed upon by the parties, the contract will be brought back to the Board for further review and action before such a contract is executed; and be it further

RESOLVED that the Executive Director of BERS be authorized to receive and control funds and to direct the Comptroller of the City of New York to disburse funds in accordance with the agreement with Segal Marco Advisors.

Respectfully Submitted,

Sanford R. Rich
Executive Director

NOVEMBER 2025

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH CAPSTONE STRATEGY GROUP, LLC TO PROVIDE AUTOMATED IDENTITY VERIFICATION SOLUTION FOR INTEGRATION INTO THE BOARD OF EDUCATION RETIREMENT SYSTEM COMPREHENSIVE PENSION MANAGEMENT SYSTEM

WHEREAS, BERS has determined a need for automated identity verification solutions with integration into BERS' Comprehensive Pension Management System ("CPMS"); and

WHEREAS, BERS issued Request for Proposal 2024-002 on April 23, 2024, for Automated Identity Verification Services and received eight (8) responses; and

WHEREAS, having reviewed the proposals submitted in response to the referenced RFP, the evaluation committee has recommended Capstone Strategy Group, LLC. ("Capstone") to provide such services; and

WHEREAS, it is the desire of the Board to contract with Capstone for a period of five years, plus three, one-year renewals, commencing Fiscal Year 2026; now therefore be it

RESOLVED, that the Board does hereby authorize the Executive Director to enter into a contract with Capstone Strategy Group, LLC to provide automated identity verification solutions with integration into CPMS to BERS for a period of five (5) years, plus three, one-year renewals commencing Fiscal Year 2026, not to exceed \$1,391,250, and if any of the foregoing terms are not agreed upon by the parties, the contract will be brought back to the Board for further review and action before such a contract is executed; and be it further

RESOLVED that the Executive Director of BERS be authorized to receive and control funds and to direct the Comptroller of the City of New York to disburse funds in accordance with the agreement with Capstone Strategy Group, LLC.

Respectfully Submitted,

Sanford R. Rich
Executive Director

AUTHORIZATION TO AMEND AN AGREEMENT WITH VITECH SYSTEMS SUB LLC

- WHEREAS,** in January 2019, the Board of Education Retirement System (BERS) contracted with Vitech Systems Sub LLC (Vitech) to provide computer consulting services for the development of the next generation of its Comprehensive Pension Management System (CPMS); and
- WHEREAS,** in September 2020, the Board of Trustees authorized the Executive Director to enter into a contract with Vitech Systems Sub LLC for the addition of the V3locity Digital Self Service (DSS) platform commencing in Fiscal Year 2021 and continuing unless terminated pursuant to the terms of the associated agreements; and
- WHEREAS,** in December 2023, the Board authorized an additional commitment of funds for CPMS document and file repository capacity; and
- WHEREAS,** BERS has an ongoing need for CPMS; and
- WHEREAS,** the Board wishes to continue the V3locity™ Service Subscription through December 31, 2028 in accordance with the negotiated pricing between the parties; now therefore be it
- RESOLVED,** that the Board authorizes additional funds to continue the V3locity™ Service Subscription through December 31, 2028; and be it further
- RESOLVED,** that the Executive Director of BERS be authorized to receive and control funds and to direct the Comptroller of the City of New York to disburse funds in accordance with this resolution.

Respectfully Submitted,

Sanford R. Rich
Executive Director

ADOPTION OF BYLAWS

WHEREAS, the BERS bylaws require certain updates to ensure that such bylaws include a current and comprehensive framework for BERS governance; now therefore be it

RESOLVED, that the Board hereby adopts the bylaws attached as hereto.

Respectfully Submitted,

Sanford R. Rich
Executive Director

BOARD OF EDUCATION RETIREMENT SYSTEM

BYLAWS

Section I – Applicable Law

1. The Board of Education Retirement System of the City of New York (“BERS” or “The New York City Board of Education Retirement System”) and the Retirement Board (“the Board” or “the Board of Trustees”) were established in accordance with Education Law § 2575.
2. BERS and the Board operate in accordance with Education Law § 2575, the BERS Rules and Regulations, the Retirement and Social Security Law, the Administrative Code of the City of New York, the Internal Revenue Code, and all other applicable state and federal laws.

Section II – Meetings of the Retirement Board

3. All Board meetings shall be held at BERS executive office or at such place as may be determined by the Co-Chairs of the Board.
4. Monthly meetings shall be held on a date set by the Co-Chairs. At each meeting, either Co-Chair shall announce the date of the next monthly or annual meeting.
5. The annual meeting shall be held in January of each year.
6. Special meetings of the full Board of Trustees shall be held on the call of either Co-Chair with the concurrence of the other Co-Chair, or on the written request of a majority of the Board including at least one employee representative, provided, however, that notice of such meetings shall be given not less than twenty-four hours in advance and shall state the special matters to be considered. No other matters shall be considered at special meetings except with the consent of all the members present.
7. If a quorum is not present, the meeting shall be adjourned.
8. Trustees must attend all Board and Committee meetings in person, as required by Article 7 of the Public Officers Law (“the Open Meetings Law”). Attendance by videoconference may be permitted in very limited circumstances, within the Open Meetings Law and BERS Videoconferencing Procedures.
9. The agenda, resolutions, and other supporting documents for each Board meeting shall be distributed by BERS staff to the Board no later than two days prior to said meeting. Matters not on the previously distributed agenda shall be considered only by unanimous consent of those trustees present at the meeting.

Section III – Co-Chairs

1. At the annual meeting, the Board shall elect from its membership two Co-Chairs.
2. A majority vote of the entire Board, including at least one employee member vote, shall be necessary for election.
3. The official term of each Co-Chair shall continue from the date of the annual meeting until the annual meeting of the succeeding year, or until a successor is chosen.
4. In the event of a vacancy in the position of either Co-Chair one month or more before the unexpired term, a special election shall be held to complete the unexpired term.

Section IV – Board Composition

1. The membership of the Board consists of the Board of Education (a/k/a the Panel for Educational Policy) and two employee representatives elected by BERS membership, in accordance with BERS Rules and Regulations § 5a.

Section V - Retirement Board and Executive Director

1. The Board is the head of BERS, in accordance with Education Law § 2575(23)(a)(3) and BERS Rules and Regulations § 5.
2. All BERS employees are under the supervision of the Executive Director, in accordance with BERS Rules and Regulations § 5.
3. As head of BERS, the Board has the sole discretion to appoint, dismiss, and set the Executive Director's compensation.

Section VI – Committees

1. The Board shall constitute from among its members the following standing committees:
 - a) The Audit Committee, whose composition, duties, and procedure are governed by the Audit Committee Charter.
 - b) The Disability Committee, whose composition, duties, and procedure are governed by the Authority and Procedure of the Disability Committee.

- c) The Executive Committee, whose composition, duties, and procedure are governed by the Authority and Procedure of the Executive Committee.
2. The Board may amend the Charters and Authority and Procedure documents of the standing committees by resolution.
3. The Board may delegate duties to ad hoc committees, or form new standing committees, by resolution specifying the composition, duties, and procedure of such committees.

Section VII – Parliamentary Procedure

1. A quorum of the Board shall consist of a majority of the Board as a whole including at least one employee representative, in accordance with BERS Rules and Regulations § 5b and Education Law § 2575. The size of the Board as a whole includes any vacancies, in accordance with General Construction Law § 41.
2. Each act of the Board shall be introduced by a motion by any member with a second by any other member.
3. Each act of the Board shall be by resolution adopted following a majority vote by the Board as a whole, in accordance with BERS Rules and Regulations § 5b.
4. The concurrence of one employee representative shall be necessary for an act of the Board, in accordance with BERS Rules and Regulations § 5b.
5. The Board will follow Robert's Rules of Order in the conduct of its business except as otherwise noted in these Bylaws.

Section VIII – Order of Business

1. The order of business at all regular and annual Board meetings shall be as follows, provided that the Co-Chairs shall have the authority to revise the order of business for purposes of expediency:
 - a) Roll call of Board members
 - b) Noting of the minutes of the prior meeting
 - c) Executive Director's update

- d) Ordinary business of BERS
- e) Previously tabled business
- f) New business
- g) Adjournment

Section IX – Financial Matters

1. Member Contributions

- a. The employee contributions of Tier 1 and 2 members, other than contributions required as a consequence of participation in early retirement programs, are deposited into the Annuity Savings Fund (ASF), and administered in accordance with BERS Rules and Regulations § 8 and all other applicable state and federal laws.
- b. The employee contributions of Tier 4 and 6 members, other than contributions required as a consequence of participation in early retirement programs, are deposited into the Member Contributions Accumulation Fund (MCAF), and administered in accordance with Retirement and Social Security Law § 613 and all other applicable state and federal laws.
- c. The employee contributions of members required as a consequence of participation in early retirement programs are deposited into the Additional Member Contributions Fund (AMCF), and administered in accordance with the various provisions of Article 11 and Article 15 of the Retirement and Social Security Law that established these programs and all other applicable state and federal laws.
- d. BERS shall certify the balances of these and all other funds to the Board, and publish the same its Annual Comprehensive Financial Report.

2. Administration of Benefits

- a. BERS administers all Qualified Pension Plan (QPP) benefits in accordance with Internal Revenue Code § 401(a).
- b. Service Retirement
 - i. BERS administers the service retirement benefits of Tier 1 and 2 members in accordance with BERS Rules and Regulations §§ 11 through 14-a and all other applicable state and federal laws.
 - ii. BERS administers the service retirement benefits of Tier 4 and 6 members in accordance with Retirement and Social Security Law §§ 602 through 604 and all other applicable state and federal laws.

- iii. BERS administers the service retirement benefits of members retiring under early retirement programs in accordance with the various provisions of Article 11 and Article 15 of the Retirement and Social Security Law that established these programs and all other applicable state and federal laws.

c. Disability Retirement

- i. BERS administers the disability retirement benefits of Tier 1 and 2 members in accordance with BERS Rules and Regulations §§ 15 through 19 and all other applicable state and federal laws.
- ii. BERS administers the disability retirement benefits of Tier 4 and 6 members in accordance with Retirement and Social Security Law § 605 and all other applicable state and federal laws.

d. Deferred Vested Benefits

- i. BERS administers the deferred vested benefits of Tier 1 and 2 members in accordance with BERS Rules and Regulations §§ 15 through 19 and all other applicable state and federal laws.
- ii. BERS administers the deferred vested benefits of Tier 4 and 6 members in accordance with Retirement and Social Security Law § 612 and all other applicable state and federal laws.
- iii. BERS administers the deferred vested benefits of members retiring under early retirement programs in accordance with the various provisions of Article 11 and Article 15 of the Retirement and Social Security Law that established these programs and all other applicable state and federal laws.

e. Death benefits

- i. BERS administers the death benefits of Tier 1 and 2 members in accordance with BERS Rules and Regulations §§ 20 and 21 and all other applicable state and federal laws.
- ii. BERS administers the death benefits of Tier 4 and 6 members in accordance with Retirement and Social Security Law §§ 606, 606-a, 607, and 607-i and all other applicable state and federal laws.

f. TDA Program benefits

- a. BERS administers all Tax Deferred Annuity (TDA) Program benefits in accordance with Internal Revenue Code § 403(b), BERS Rules and Regulations § 33, and all other applicable state and federal laws.

3. Loans to Members

- a. BERS administers all loan payments and policies in accordance with Internal Revenue Code § 72(p). BERS shall report to the Board the total number and aggregate amount of loans made to members monthly.
- b. BERS administers loans from the ASF in accordance with BERS Rules and Regulations § 10(5) and all other applicable state and federal laws.
- c. BERS administers loans from the MCAF in accordance with Retirement and Social Security Law § 613-b and all other applicable state and federal laws.
- d. BERS administers loans from the AMCF in accordance with Retirement and Social Security Law § 613-b, the various provisions of Article 11 and Article 15 of the Retirement and Social Security Law that established these programs, and all other applicable state and federal laws.
- e. BERS administers loans from the TDA Program in accordance with BERS Rules and Regulations Appendix A and all other applicable state and federal laws.

Section X – Conflicts of Interest

- 1. Chapter 68 of the New York City Charter governs conflicts of interest for all Board members and BERS employees.
- 2. All Board members are officers of the City of New York with substantial policy discretion within the meaning of Section 2604 of the New York City Charter (“the Charter”), and are therefore required to file annual financial disclosures with the New York City Conflicts of Interest Board per Section 2603(d) of the Charter.