

BOARD OF EDUCATION RETIREMENT SYSTEM

Board Meeting Agenda

December 11, 2025

1. Calendar Item 1: Noting of the Minutes of the Meeting of the Board of Education Retirement System held on November 12, 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: NYC Office of the Actuary: June 30, 2023 Actuarial Valuation Report – **FOR DISCUSSION.**
5. Calendar Item 19: Grant Thornton 2025 Annual Audit Presentation – **FOR DISCUSSION.**
6. Calendar Item 20: Authorization for the Adoption of an Administrative Budget for Fiscal Year 2026 for the Board of Education Retirement System - **FOR CONSIDERATION AND ACTION.**
7. Calendar Item 21: Excluded Security Review – **FOR DISCUSSION.**
8. Calendar Item 22: Private Equity Pipeline Update; Focus on Emerging Manager – **FOR DISCUSSION.**
9. Calendar Item 23: Annual Update on Climate Change – **FOR DISCUSSION.**
10. Calendar Item 24: Developed Market ex US – **FOR CONSIDERATION AND ACTION.**
11. Calendar Item 25: 2025 Annual Plans Public Equity and Fixed Income – **FOR DISCUSSION.**
12. Calendar Item 26: Adoption of BERS Bylaws – **FOR CONSIDERATION AND ACTION.**
13. Calendar Item 27: Election of Alternate Member of Audit Committee – **FOR CONSIDERATION AND ACTION.**

**Board of Education Retirement System
Meeting of the Board of Trustees
Summary Minutes
November 12, 2025**

Appearances:

Adriana Alecia (CEC Queens)
Marielle Ali, Trustee (Manhattan BP Rep)
Karine Apollon, Trustee (Chancellor Designee)
Debra Altman (CEC Staten Island)
Shirley Aubin, Trustee (Queens BP Rep)
Camille Casaretti, (Brooklyn BP Rep)
Marjorie Dienstag, Trustee (Mayoral)
John Dorsa, Trustee (Comptroller Designee)
Gregory Faulkner (Chair)
Anita Garcia, Trustee (Mayoral)

Anthony Giordano, Trustee (Mayoral)
Dr. Angela Green, Trustee (Mayoral)
Alice Ho, Trustee (Mayoral)
Rima Izquierdo Trustee (Bronx BP Rep)*
Faraji Hannah-Jones, Trustee (CEC Brooklyn)
Brenida Parsons, (CEC Bronx)
Maisha Sapp, Trustee (Mayoral)
Frank Sirabella, Trustee (Employee Member)
Yadira Jimenez, Trustee (Mayoral)

****Virtual Attendance***

Meeting commenced at approximately 4:23 PM.

Ms. Garcia arrived at the meeting at approximately 4:27 PM.

Agenda Item 1 Calendar Item 1: – Noting of the Minutes of the Meeting of the Board of Education Retirement System held on May 13, 2025. On a motion by Mr. Giordano and a second by Ms. Sapp, this item was unanimously approved.

Agenda Item 2 – Executive Director Update

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

Agenda Item 4 – Calendar Item 18: Adoption of the Actuary's Recommendation Regarding the Tier III/IV/VI Loan Insurance Premium Rate for Fiscal Year 2026. On a motion by Mr. Dorsa and a second by Ms. Garcia, this item was unanimously approved.

Agenda Item 5 – Calendar Item 19: Adoption of the Disability Committee's Recommendations. On a motion by Dr. Green and a second by Ms. Dienstag, this item was unanimously approved.

Mr. Hannah-Jones arrived at the meeting at approximately 4:41 PM.

On a motion by Mr. Giordano and a second by Ms. Ho, the Board unanimously approved amending the Minutes of the Meeting of the Board of Education Retirement System held on May 13, 2025, to include the virtual attendance of Marielle Ali and Shirley Aubin.

Agenda Item 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. On a motion by Mr. Giordano and a second by Ms. Aubin, this item was unanimously approved.

Agenda Item 7 - Calendar Item 21: Adoption of an Amendment to the Investment Policy Statement of the Board of Education Retirement System. On a motion by Ms. Aubin and a second by Mr. Giordano, this item was considered. On a motion by Mr. Giordano and a second by Ms. Garcia, the Board unanimously approved amending the proposed resolution to require that to approve any new public market managers or programs between 250M and 350M, it is contingent on providing the Executive Committee agenda to the full Board of Trustees and if five or more trustees raise a question, then the item must be tabled and added to the next Board of Trustees Meeting. If that meeting does not occur, then the item may be heard and voted on automatically at the next Executive Committee meeting.

Agenda Item 8 - Calendar Item 22: Adoption of an Amendment to the Authority and Procedure of the Executive Committee of the Board of Education Retirement System. On a motion by Mr. Giordano and a second by Ms. Ho, this item was unanimously approved with the corresponding language as voted on in Calendar Item 21. .

Agenda Item 9 - Calendar Item 23: Authorization to the Executive Committee to Approve Certain Transactions. On a motion by Mr. Giordano and a second by Ms. Ho, this item was approved with one opposition from Mr. Dorsa.

Ms. Jimenez left the meeting at approximately 5:55 PM.

Agenda Item 10 – Calendar Item 24: Fiscal Year 2026 Budget Presentation. There were no motions to discuss this item, and it was bypassed for action items.

Agenda Item 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. On a motion by Mr. Giordano and a second by Ms. Ho, this item was unanimously approved.

Agenda Item 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. On a motion by Mr. Giordano and a second by Ms. Ho, this item was unanimously approved.

Agenda Item 13 - Calendar Item 27: Authorization to Amend an Agreement with Vitech Systems Sub LLC. On a motion by Ms. Aubin and a second by Ms. Ho, this item was unanimously approved.

Agenda Item 14 - Calendar Item 28: Annual Update on Climate Change. There were no motions to discuss this item, and it was bypassed for action items.

Agenda Item 15 - Calendar Item 29: Developed Market ex US. Mr. Giordano made a motion to consider, which was seconded by Ms. Aubin. No discussion or vote occurred due to loss of quorum.

On a motion by Mr. Giordano and a second by Ms. Aubin, the meeting was adjourned at approximately 6:22 PM.



■ **FY 2026
Administrative
Budget**

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► Proposed Administrative Budget FY 2026

	FY 2026 70 Headcount	FY 2026 14 Headcount
Proposed Budget	\$47,822,678	\$45,105,237
Personal services (PS)	\$34,829,963	\$29,442,077
<u>Other than personal services (OTPS)</u>	<u>\$12,992,715</u>	<u>\$15,663,160</u>

▀ Budget Trend

	FY2024	FY2025	FY2026 70 Headcount	FY2026 14 Headcount
PS Budget	\$23,887,331	\$24,726,409	\$34,829,963	\$29,442,077
OTPS Budget	\$10,209,241	\$11,150,548	12,992,716	\$15,663,160
Total	\$34,096,573	\$35,876,957	\$47,822,678	\$45,105,237
<u>Headcount</u>				
Full time employees	166	169	239	183
Temporary Staff	10	22	3	53

Key drivers for FY 2026 PS Budget

Key Drivers	FY 2026 70 HC	FY 2026 14 HC
Additional HC Request	\$5.08M	\$2.00M
6.52 % increase in Fringe Rate	\$4.07M	\$1.74M
3.25 % Contractual Increases	\$544K	\$544K
Overtime increase/(decrease)	(\$124k)	\$257K



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 with 70 HC**
- **\$1.2M – Increase in the Temporary staff cost with 14 HC**



► *Thank you*

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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.

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 \$ 29,442,077 that includes a fringe benefit cost of \$ 9,962,074 and an other than personnel services budget of \$ 15,663,160; 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

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