

Minutes

A regular meeting of the Virginia Retirement System Administration, Finance and Talent Management Committee was held on February 8, 2024, with the following members participating:

A. Scott Andrews, Chair
Joseph W. Montgomery, Vice Chair

Board members present:

John M. Bennett
Jessica Hood

VRS Staff:

Patricia Bishop, Andrew Junkin, Jennifer Schreck, Jeanne Chenault, Michael Cooper, David Cotter, Juanita Cribbs, Antonio Fisher, Robert Irving, Sandy Jack, LaShaunda King, Curt Mattson, Matt Priestas, Paula Reid, Emily Trent and Leslie Weldon.

Guests:

Jamie Bitz, Joint Legislative Audit and Review Commission; and Yu Sun, Financial Times.

The meeting convened at 9:59 a.m.

Opening Remarks

Mr. Andrews called the meeting to order and welcomed everyone to the February 8, 2024, meeting of the Administration, Finance and Talent Management Committee.

Approval of Minutes

Following a motion by Mr. Montgomery, with a second by Mr. Bennett, the Committee approved the minutes of its September 20, 2023, meeting.

Approve Revised Education and Development for Investment Professionals Policy

Andrew Junkin, Chief Investment Officer (CIO), advised the Committee of proposed changes to the Education and Development for Investment Professionals Policy (Policy). The Policy provides the CIO the authority to require a tenure agreement for employees who receive reimbursement of education expenses up to \$100,000 and requires a tenure agreement of at least 48 months for reimbursable expenses in excess of \$100,000. If an employee leaves employment prior to completing the tenure agreement period, the employee must repay on a prorated basis any reimbursed amount within 30 days of separating employment. The amendment to the policy allows the CIO to authorize a repayment agreement as an alternative to the 30-day repayment requirement.

Upon a motion by Mr. Bennett, with a second by Mr. Montgomery, the Committee recommended approval of the action to the full Board of Trustees:

RBA: Authorize Repayment for Tuition Reimbursements under the Education and Development for Investment Professionals Policy

***Request for Board Action:** The VRS Board of Trustees approves amendments to the Education and Development for Investment Professionals Policy (Policy), effective February 8, 2024, to authorize the Chief Investment Officer to approve repayment agreements for the repayment of tuition reimbursement under the Policy.*

Mr. Andrews thanked Mr. Junkin for his presentation.

Approve Revised Proxy Voting and Litigation Policy

David Cotter, Director of Legislative and Government Affairs, advised the Committee of proposed changes to the Proxy Voting and Litigation Policy. The first change is to separate the policy into two separate policies: the Proxy Voting Policy and the Litigation Policy. The second revision pertains to the Litigation Policy, and includes substantive changes designed to streamline the process for approving decisions to participate in litigation.

Upon a motion by Mr. Montgomery, with a second by Mr. Bennett, the Committee recommended approval of the action to the full Board of Trustees:

RBA: Adopt Separate Proxy Voting Policy and Litigation Policy to Replace Current Proxy Voting and Litigation Policy

***Request for Board Action:** The VRS Board of Trustees approves replacing the existing Proxy Voting and Litigation Policy with two separate policies: (i) Proxy Voting Policy and (ii) Litigation Policy.*

Mr. Andrews thanked Mr. Cotter for his presentation.

Approve Revised Investment Professionals' Pay Plan Policy

Paula Reid, HR Director, provided an overview of proposed changes to the Investment Professionals' Pay Plan (Pay Plan) and the Defined Contribution Incentive Plan (DCIP). Ms. Reid was joined by Maureen Reilly and Margot Nigro of McLagan who reviewed their recent classification and compensation analysis. Several resulting changes are proposed to the Pay Plan and DCIP.

Upon a motion by Mr. Montgomery, with a second by Mr. Bennett, the Committee recommended approval of the action to the full Board of Trustees:

Request for Board Action: *The VRS Board of Trustees approves the amended Investment Professionals' Pay Plan (Pay Plan), effective February 10, 2024, and an amended Defined Contribution Incentive Plan (DCIP), effective July 1, 2023.*

Mr. Andrews thanked Ms. Reid, Ms. Reilly and Ms. Nigro for their presentation.

Adjournment

There being no further business and following a motion by Mr. Montgomery, with a second by Mr. Bennett, the Committee agreed to adjourn the meeting at 10:25 a.m.



6/11/24

Chair

Date