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## **Board Education Policy**

*Ensure that all Trustees are provided with adequate opportunity and assistance to acquire the knowledge they need to carry out their duties.*

### **General Provisions**

1. Trustees agree to develop and maintain an adequate level of knowledge and understanding of relevant issues pertaining to the administration of the system throughout their terms on the Board of Trustees ("Board").
2. Trustees agree to pursue appropriate education across a range of pension-related areas, rather than limiting their education to particular areas. The executive director shall provide an Educational Resource List, a list of recommended conferences/association meetings, in the Board's monthly meeting materials. The general topic areas to be pursued may include, but are not limited to:
  - a. Governance and fiduciary duty;
  - b. Investment policy and asset allocation;
  - c. Benefits administration;
  - d. Actuarial policies and funding;
  - e. Technology;
  - f. Regulatory and legal issues; and
  - g. Financial and accounting standards and practices.
3. Trustees shall meet the following minimum standards:
  - a. Secure, over time, a meaningful level of understanding in each of the topic areas listed in paragraph 2 above and other pertinent topics through, for example, presentations made at meetings of the Board, training programs provided to the Board, and attendance at conferences/association meetings. Trustees are encouraged to attend conferences, on occasion, that address pension-related topics other than investments.
  - b. Complete the CAPPP Part I and Part II program, the NCPERS Accredited Fiduciary (NAF) Program, or the IFEBP New Trustees Institute Level I and II within the first two years of the Trustee's service on the Board.
  - c. Effective July 1, 2019, on an annual fiscal year basis, complete a minimum of eight hours of Board-related education. Such hours may be completed through presentations made at meetings of the Board, training programs provided to the Board, attendance at conferences/association meetings, and on-line courses.

- d. With the assistance of the executive director, each Trustee shall develop an individual plan for the Trustee's education to be completed during the Trustee's service on the Board. Such plan shall be reviewed and updated as necessary.
4. Trustees shall be provided with retirement industry periodicals selected by the executive director to support the Trustees' on-going education.

### **Orientation Program**

5. A formal orientation program and agenda, covering the general topic areas outlined in paragraph 2 above and any other pertinent topics, shall be developed by the executive director for the benefit of new Trustees.
6. Prior to attending their first meeting of the Board as a Trustee and to the extent practicable, new Trustees shall be invited by the chairperson or executive director to attend a meeting of the Board as an observer.
7. New Trustees shall, as soon as possible, and under the direction of the executive director, be:
  - a. Briefed on the history and background of the system;
  - b. Briefed on current issues before the Board, including a review of the current strategic plan;
  - c. Introduced to senior management;
  - d. Provided a tour of the system's offices;
  - e. Provided an overview of the organizational structure and roles of the staff and key service providers;
  - f. Briefed on the Freedom of Information Act for the Commonwealth of Virginia, the Virginia Public Records Act, the ERFC Board of Trustees Standards of Conduct, the Trustees' fiduciary duties and fiduciary responsibility insurance coverage, conflict of interest guidelines, and other pertinent laws and regulations;
  - g. Briefed on the system's funded status;
  - h. Briefed on the system's investment policy and asset allocations and investments; and
  - i. Provided with:
    - i. A Trustee Handbook;
    - ii. A copy of the Statement of Investment Policy;
    - iii. A listing of upcoming, recommended educational opportunities; and
    - iv. Other relevant information and documentation deemed appropriate by the executive director or the chairperson.
8. A new Trustee shall be paired with an experienced Trustee ("mentor Trustee") who shall assist the new Trustee in becoming familiar with his or her responsibilities on the Board during the new Trustee's first year on the Board. The mentor Trustee shall contact the new Trustee at least once each quarter, outside of regularly scheduled Board meetings, for consultation or discussion related to Board matters.
9. The executive director shall periodically review and, if necessary, update all orientation material and supply each Trustee with those updates. A master copy of the Trustee Handbook shall be posted on BoardDocs.

## **Attendance at Conferences and Association Meetings**

10. As part of the operating budget, the executive director shall make every effort to ensure the availability of resources for Trustee education and equitable availability of conferences to all Trustees.
11. Trustees may attend up to two conferences outside of Virginia or the Washington, D.C. metropolitan area each fiscal year and additional conferences or meetings in Virginia or the Washington, D.C. metropolitan area, provided such conferences are within the operating budget for Trustee education. A Trustee who wants an exception to any conference limit, including conferences outside of Virginia or the Washington, D.C. metropolitan area, and wishes to be reimbursed by the ERFC for the expenses of the meeting or conference, must file a written request with the Board.
12. A Trustee who wants to attend a conference or association meeting that is not on the Educational Resource List and wishes to be reimbursed by the ERFC for the expenses of the meeting or conference, must file a written request with the Board.
13. The request for exceptions under paragraphs 11 or 12 must be submitted within a reasonable time before the scheduled conference or meeting for a decision to be made, preferably 30 business days in advance, and should include a copy of the program, duration, and estimated costs and an explanation of the benefits to ERFC of the Trustee's participation in the conference or meeting.
14. On receipt of each request, the executive director shall review the request to determine whether sufficient funds are available to support the request.
15. If the request enables the Trustee to better conduct the business of the Board, better enables the Trustee to perform his or her fiduciary duties, and funds are available, the Board shall approve the request.
16. All travel arrangements shall be made in consultation with the executive director's designee in accordance with the ERFC Travel Policy.

## **Reporting**

17. Trustees shall present to the Board a brief assessment of the value to ERFC of each conference attended.