

# **The Pennsylvania State University**

## **The Retirement Oversight Committee Charter**

### **Introduction**

The Operating Guidelines for The Pennsylvania State University's Retirement Oversight Committee are organized as follows:

- I. Purpose
- II. Committee Composition
- III. Meetings and Agendas
- IV. Duties and Responsibilities
- V. Operating Rules

### **I. Purpose:**

The purpose of this Retirement Oversight Committee Charter is to describe the responsibilities of the Retirement Oversight Committee. This Charter is formally adopted by the Committee effective as of January 30, 2017 but has been generally followed in principle since January 2014.

The mission of the Committee is to ensure that the plans listed on Appendix A (the "Plans") are properly administered and they are invested in accordance with applicable standards of prudence and approved Investment Policy Statement. The Plan documents along with this Charter set forth the powers, duties and responsibilities of the Committee.

The Committee shall report periodically to the Board of Trustees or a Committee of the Board of Trustees as appropriate.

### **II. Committee Composition:**

The Committee shall be comprised of not less than five (5) and not more than ten (10) voting members. The Committee members shall serve ex officio by virtue of the holding one of the positions described below:

Executive Director, Office of Investment Management  
Senior Vice President, Finance and Business, Committee Chair  
Director, University Investments/Chief Investment Officer  
Vice President, Human Resources  
Office of General Counsel Representative  
Associate VP, Finance and Corporate Controller  
Executive Director, Faculty Senate  
William Elliott Chaired Professor of Insurance and Risk Management  
Assistant Manager, Employee Benefits  
Senior Director, Compensation & Benefits

Each member will serve on the Committee for an indefinite period of time until his or her successor is appointed, unless the member resigns or is removed by the Board of Trustees. It is expected that each member will attend at least a majority of the Committee meetings each year. If a Committee member fails

to meet this attendance guideline, the Committee may revoke that individual's membership by a simple majority vote at a duly constituted Committee meeting.

A Committee member who desires to resign should do so at least 30 days before the next formal Committee meeting, so that a successor Committee member may be selected and installed. If a member's employment is terminated for any reason, the member will also automatically and at the same time be terminated from membership on the Committee.

### **III. Meetings and Agendas:**

The Committee shall meet as often as it determines appropriate to carry out its responsibilities. Unless there is no business to conduct, the Committee shall hold regular meetings on a quarterly basis.

To the extent practical, all members shall receive advance notice of each Committee meeting and shall be provided relevant materials relating to the business of the Committee.

The Committee may invite from time to time such persons, as it sees fit, to attend meetings and to provide professional advice, subject matter expertise, or factual knowledge of a matter under consideration.

Minutes of each meeting shall be recorded by a person designated by the Chair.

### **IV. Duties and Responsibilities:**

The Chair of the Committee shall be responsible for the order of all Committee meetings.

The Chair shall have the following authority and duties:

- to call meetings of the Committee (subject to the notice provisions stated herein);
- to set the agenda of each Committee meeting;
- to chair and conduct the Committee meetings;
- to name an acting Chair if and when necessary; and
- to circulate resolutions, if any, for consent to the voting members of the Committee.

The Chair shall designate one or more individuals to be responsible for performing administrative functions as directed from time to time by the Chair. Such responsibilities may include the following:

- collection and dissemination of investment advisory and plan monitoring reports, original and amended copies of plan documents, trusts, charters, policies, minutes, expert presentations and other relevant documentation to members necessary for the Committee to execute its responsibilities
- recording the minutes of each meeting and submitting minutes to the Chair who will call for approval at the next meeting; and
- preserving accessible records of minutes and written presentations coming before the Committee.

### **V. Operating Rules:**

The Committee shall act by agreement of at least a majority of all of its members, either by vote at a meeting or in writing without a meeting. Business shall be conducted and votes taken at a meeting of the Committee only if a quorum is present in person or by teleconference. A majority of the entire Committee shall constitute a quorum. A voting member who is not present at a meeting may not delegate his or her vote to another person.

If there is not a quorum and a particular matter requires a vote that cannot wait until the next scheduled Committee meeting or if there is not a quorum and the Chair or acting Chair of the Committee believes that a vote needs to be taken via email, then the Chair or acting Chair of the Committee may call for such an electronic vote. In this event, the Secretary to the Committee will send to each Committee member the appropriate documents and will conduct an email vote. There will be a precise time frame specified during which Committee members may cast their vote. The time period for voting will not be less than one week nor more than two weeks. If there is any concern as to the validity of a Committee member's email vote, the individual member will be called to verify the accuracy of that individual's vote. The results of the electronic vote will be made known to all Committee members as soon as possible and will be documented in the Committee minutes that are presented at the next formal Committee meeting. For an email vote to be valid, a majority of all the members will be necessary to approve or reject a motion.

In the event that, for any reason, any member ceases to be a member of the Committee and has not been replaced, then during such time, the remaining members of the Committee shall constitute the full Committee for purposes of determining a majority for a quorum and determining the members full membership for purposes of the adoption of a written or email consent.

Unless otherwise specified in any resolution of the Committee, the Chair of the Committee shall have authority to execute contracts or other documents on behalf of the Committee to carry out its decisions. The Committee may authorize any one or more of its members, or members of the Office of Human Resources, to execute any routine administrative document on behalf of the Committee. The Committee from time to time may establish additional rules or bylaws for administration of the Plans and transaction of its business within the scope of its authority.

The Committee may generally adopt whatever internal procedures it may require to enable it to fulfill its duties. The Committee may also allocate its duties among its members and delegate its responsibilities to others.

## **VI. Conflicts of Interest**

Committee members shall inform the Chair of the Committee if an actual or perceived conflict of interest exists with respect to any matter under consideration by the Committee. The Chair will review such actual or perceived conflict of interest and take appropriate action to mitigate such conflict of interest.

## **VII. Amendments to this Charter**

The Committee may amend this Charter either in whole or in part at any time, by majority vote of 5 members at a meeting at which a quorum is in attendance, but no such amendment shall be contrary to the express terms of the Plans. The Secretary shall see that all members of the Committee receive full notice of such revision.

In the event of a conflict between the terms of a Plan and this Charter, the applicable provision of the Plan document shall take precedence. The provisions set forth in this Charter are not intended to alter any applicable legal standards.

  
Committee Chair

## **APPENDIX A**

- Penn State University Alternate Retirement Plan - aka Defined Contribution Plan
- Penn State University Tax Deferred Annuity Plan– aka 403(b) Plan
- Penn State University 457(b) Deferred Compensation Plan
- Penn State University Supplemental Executive Plan - Investment oversight only
- Penn State University Retirement Healthcare Savings Plan- Investment oversight only