

Public Agenda Item #17

*Review, Discussion and Consideration of Recommended updates to Texa\$averSM 401(k)/457 Investment Policy - (**Action**)*

December 8, 2020

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Texa\$aver 401(k)/457 program

Investment Policy



Texa\$aver program's Investment Policy defines the investment objectives of the program, describes the types of investment options, describes the fund selection process, and outlines the performance-monitoring and fund evaluation processes.

- Originally approved August 23, 2017
- Updates to the Investment Policy were formulated in collaboration with Advised Assets Group Investment Advisory Committee, Texa\$aver Product Review Committee, and ERS' Office of General Counsel

Texa\$aver program



Investment Policy

Proposed amendments were presented in redline format to the Board on August 19, 2020

- **Section 3.2 Market Timing and Excessive Trading Policy**
 - Update language to limit or eliminate market timing and excessive trading practices
- **5.4 Benchmark**
 - Update to include US Large Cap Index (Value or Growth), CRSP US Mid Cap Index (Value or Growth); CRSP US Small Cap Index (Value or Growth)
- **Section 5.54 Investment-specific Characteristics**
 - Provide clarifying language as to how the investment categories may be changed

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Investment Policy

- **Section 5.6 Watch List**
 - Remove Watch List section; opt to include within operational procedures
- **Section 6.2 PRC sub-committee**
 - Update the scope of responsibilities and duties that may be undertaken by an appointed sub-committee, as reflected in current practices
- **7.1 Review of Investment Policy**
 - Update language to have the Investment Policy presented to the Board no less than every three (3) years, as reflected in current practices

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Investment Policy



- Open period for members of the Board to provide comments and additional edits
 - August 20, 2020 - October 20, 2020
- Finalized Investment Policy is being presented for final consideration and Board approval

Questions?
Action Item