

Public Agenda Item #26

Review of the 2022 Board of Trustees Self-Evaluation Report

August 24, 2022

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2022 Board of Trustees Self-Evaluation

Background



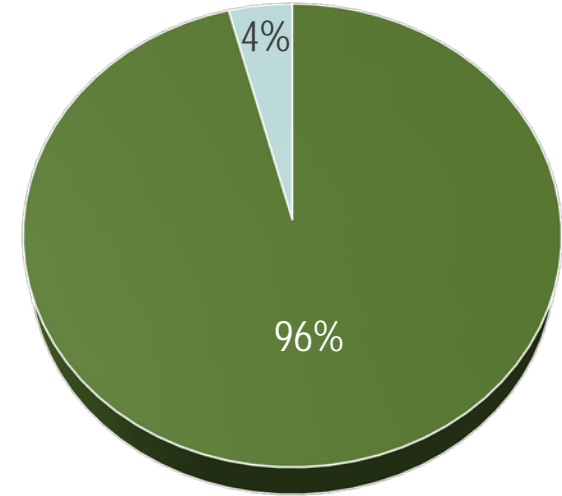
- ❑ Periodic evaluation is an essential part of governance practices
- ❑ Allows Trustees to anonymously evaluate the Board's performance from individual and collective perspectives
- ❑ Previous assessment conducted in the fall of 2020

2022 Board of Trustees Self-Evaluation

Overview

- **49 statements on the survey**
 - Mission and strategy
 - Organization and meetings
 - Stakeholders
 - Financial and internal control management
 - Individual / "I" statements
- **Results indicate an effective, high-functioning Board**
 - Unanimous agreement among trustees on 47 statements

Board Responses



- Unanimous Agreement
- 1+ "Neutral" Response

2022 Board of Trustees Self-Evaluation

Mission and Strategy



Strengths

#1 - Understands ERS' mission and reflects this understanding when addressing key issues

#3 - Effectively provides strategic direction to employee benefits programs (e.g. healthcare, prescription drug, Texa\$averSM)

#7 – Promotes appropriate ethics and values in the organization

2022 Board of Trustees Self-Evaluation

Organization and Meetings



Strengths

#10 – Agenda items for Board meetings are appropriate

#13 – Board members are well-prepared, engaged and share insights during meetings

#14 – Decorum and protocols used in meetings satisfies the trustees' needs

2022 Board of Trustees Self-Evaluation

Stakeholders



Strengths

#19 – Board has a good understanding of ERS' stakeholders

#21 – Board monitors the design of benefits programs and its impact on membership

Opportunity

#20 – Board communicates with, and seeks input from, stakeholders on ERS issues

2022 Board of Trustees Self-Evaluation

Financial and Internal Control Management



Strengths

#23 – Board ensures appropriate internal and third-party audits are performed

#27 – Board is effective at monitoring program performance and financial information

#29 – Board monitors implementation of the investment program's asset allocation

#30 – Board effectively approves the annual operating budget to administer the trust fund and other programs

2022 Board of Trustees Self-Evaluation

Individual / “I” Statements



- ❑ Trustees indicate they:
 - #39 – Abstain from actions that may be perceived as a conflict of interest
 - #41 – Make efforts to educate themselves on aspects of programs for which they do not have a great level of understanding
 - #46 – Understand their role as a Trustee versus staff's role in program administration
 - #47 – Support Board decisions once they are made, even if they do not agree with them
 - #48 / 49 – Understand and comply with fiduciary responsibilities and act for the benefit of all members and retirees

Questions?