COLORADO PERA

Colorado PERA Board of Trustees

Governance Committee Meeting Materials

November 19, 2026

Agenda

Governance Committee Meeting

Raymond “Doc” Heath Memorial Boardroom
1301 Pennsylvania Street
Denver, CO

Thursday November 19, 2026
Time: 2:05 p.m.

All times are approximate and for reference only. Items designated for Information are appropriate for Action if the Board wishes to take action.

1. **Approval of Consent Agenda**

   (Governance Item) Action

   Presented by: Rebecca Freyre, Chair, Governance Committee

   a. **November 19, 2026, Governance Committee Meeting Agenda**
   b. **June 24, 2026, Governance Committee Meeting Minutes**
   c. **Routine Review of Board Performance Evaluation Policy – Second Reading**

2. **Overview of 2026 CEO Performance Evaluation Process**

   (Governance Item) Information

   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors; Mei Chiang, PERA Workforce and Talent Development Specialist II

   a. **Overview of 2026 CEO Performance Evaluation Process Presentation**
   b. **2026 PERA CEO Performance Criteria – Board Approved Jan 2026**

3. **Setting Criteria for 2027 CEO Performance Evaluation**

   (Governance Item) Action

   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors

   a. **Setting Criteria for 2027 CEO Performance Evaluation Presentation**
   b. **Recommended 2027 PERA CEO Criteria – Redline**
   c. **Recommended 2027 PERA CEO Criteria – Clean**

4. **Creation of Board Governing Philosophy - Second Reading**

   (Strategic Plan Item) Action

   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors

   a. **Board Governing Philosophy Presentation**
   b. **Proposed Governing Philosophy – Redline**

c. Proposed Governing Philosophy – Clean

5. Board Succession Planning Matters: Policy Revision

(Strategic Plan Item) Information

Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors

a. Board Succession Planning Matters Presentation
b. Board Succession Planning Policy – First Reading – Redline
c. Board Succession Planning Policy – First Reading – Clean

6. Committee Announcements

(Governance Item) Information

Presented by: Rebecca Freyre, Chair, Governance Committee

7. 2027 Governance Committee Meeting Dates

(Governance Item) Information

Presented by: Rebecca Freyre, Chair, Governance Committee

- March 25, 2027
- June 24, 2027
- November 18, 2027

Exhibit A – March 25, 2027, Governance Committee Meeting Agenda Draft
Exhibit B – Governance Committee 2026 Workplan
Exhibit C – Annual CEO Charter Review
Exhibit D – 2026 Board Performance Evaluation Process
Exhibit E – Annual Governance Committee Charter Review
Exhibit F – Draft 2027 Governance Committee Workplan

The Board may convene in Closed Executive Session pursuant to, but not limited to, the following:

A. Colorado Open Meetings Law, Section § 24-6-402(4)(a): Purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest;
B. Colorado Open Meetings Law, Section § 24-6-402(4)(b): Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions;
C. Colorado Open Meetings Law, Section § 24-6-402(4)(c): Matters required to be kept confidential by federal or state law or rules and regulations.
D. Colorado Open Meetings Law, Section § 24-6-402(4)(d): Specialized details of security arrangements or investigations, including defenses against terrorism, both domestic and foreign, and including where disclosure of the matters discussed might reveal information that could be used for the purpose of committing, or avoiding prosecution for, a violation of the law;

E. Colorado Open Meetings Law, Section § 24-6-402(4)(e)(I): Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators;
F. Colorado Open Meetings Law, Section § 24-6-402(4)(f)(I): Personnel matters except if the employee who is the subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting.
G. Colorado Open Meetings Law, Section § 24-6-402(4)(g): Consideration of any documents protected by the mandatory nondisclosure provisions of the “Colorado Open Records Act”, part 2 of article 72

Minutes

Colorado PERA Governance Committee Meeting

Raymond “Doc” Heath Memorial Boardroom
1301 Pennsylvania Street
Denver, Colorado

Wednesday, June 24, 2026
3:30 p.m. MST

Committee Members Present:	Rebecca Freyre (Board Chair and Committee Chair), Trina Ruhland (Vice Chair), Nate Geroche, Amy Grant, Marcus Pennell, Timothy O’Brien
Non-Committee Members Present:	Maruti Moré, Scott Simon, Tonya Thompson,
COPERA Staff Present:	Andrew Roth, Sarah Wager, Jesse Bertoli, Ryan Ericson, Kevin Gallaway, Jeremy Hill, Patrick Lane, Robin Maniglia, Amy C. McGarrity, Cheryl Pattelli, Meg Cody, Michael Flowers, Ben Garfield, Rebecca Harren, Rachel Kelley, Patrick von Keyserling, Brenda Meidel, Megan Peitzmeier, Ian Rowe
Others in Attendance:	Suzanne Dugan of Cohen Milstein Sellers & Toll PLLC; Amy McDuffee and Saba Hashmi of Mosaic Governance Advisors

Rebecca Freyre, Governance Committee Chair, called the meeting to order at 3:30 p.m.

Approval of Consent Agenda

MOTION: A motion was made by Amy Grant and seconded by Nate Geroche that the Consent Agenda be approved as published with the following items:

a. June 24, 2026, Governance Committee Meeting Agenda
b. March 19, 2026, Governance Committee Meeting Minutes

The motion was unanimously approved.

Board Service Provider Evaluations Results

Rachel Kelley, PERA Board Liaison, presented the Board Service Provider Evaluation Results to the Governance Committee. She noted that the evaluation is a collaborative, multi-step effort

involving trustees, staff, and leadership, designed to confirm that evaluation summaries accurately reflect the Board's collective experience with service providers and to provide meaningful feedback to vendors. Enhancements to this year's evaluation process included the use of Boardvantage for survey administration, incorporation of supporting materials within the survey platform, and the addition of vendor overview videos to provide context and improve the evaluation experience. She reported that evaluation summaries were developed using standardized rating criteria and consolidated trustee and staff feedback into key themes and focus areas for the coming year while retaining unique perspectives for transparency.

Governance Committee members expressed support for the evaluation process, noting that the survey materials, staff input, and vendor videos improved the quality and efficiency of the evaluations. The Governance Committee also discussed next steps for communicating evaluation results to service providers and emphasized the importance of obtaining feedback on how the evaluations are received and whether they lead to meaningful service improvements. Rachel Kelley indicated that opportunities exist to further formalize this feedback loop and report notable outcomes to the Governance Committee.

MOTION: A motion was made by Amy Grant and seconded by Nate Geroche that the Committee approve the 2025 Board Service Provider Evaluation Summary Reports as reflected in the materials as agenda item 2.b. and recommend such Evaluation Summary Reports to the Board for consideration at the September 2026 meeting of the PERA Board of Trustees

The motion was unanimously approved.

Board Election Process and Board Succession Planning

Amy McDuffee and Saba Hashmi of Mosaic Governance Advisors provided an update to the Governance Committee regarding the Board Election Process Review as part of the Board's strategic initiative on succession planning. Saba Hashmi presented research on petition signature requirements for incumbent trustees seeking re-election and reported that, among peer public pension systems reviewed, incumbents and new candidates are generally subject to the same nomination and signature requirements. Trustee Geroche inquired about whether PERA was in alignment with the number of signatures required for candidates. Saba Hashmi stated that in comparison with peers, PERA is on the lower end, but still alignment. Based on the peer analysis, Mosaic recommended maintaining PERA's current petition signature requirements.

The Governance Committee also received a review of broader election practices and candidate experiences. Mosaic noted that PERA's election process compares favorably to peers and includes several practices that reduce barriers to candidacy, such as allowing both electronic and paper petition signatures, providing year-round information for prospective candidates, utilizing an election services vendor to assist candidates, and offering multiple voting methods

for members. Peer research indicated that PERA's voter participation rates are generally consistent with those of comparable public pension systems.

Mosaic highlighted that while peer systems have not generally modified signature requirements, many have focused on modernizing election administration through technology and process improvements. They concluded that PERA's election and voter experience is more advanced than many peers and recommended additional enhancements, including expanded candidate resources, a multi-year election calendar, educational videos, and periodic reporting on candidate and voter participation trends. Mosaic concluded by stating that future phases of the succession planning initiative will focus on trustee onboarding, development, and the Board's succession planning policy.

Board Performance Evaluation Policy

Amy McDuffee and Saba Hashmi of Mosaic Governance Advisors presented the first reading of proposed revisions to the Board Performance Evaluation Policy, providing both redlined and clean versions for review. The policy, originally adopted in 2001 and last reviewed in 2022, is being updated as part of the Board's scheduled policy review cycle and to reflect lessons learned from the recently completed board performance evaluation.

Mosaic explained that the proposed revisions are primarily administrative in nature and are intended to simplify the policy by removing unnecessary procedural steps, eliminating redundancies, increasing flexibility, and aligning the policy with the Board's strategic governance model and current practices. Key changes include removing the specific month the evaluation is completed, elevating certain language to a more board-level focus, and modifying the requirement to seek CEO feedback on the board performance evaluation from a requirement to an option at the Board Chair's discretion. The revisions also allow the Chair to seek input from other staff or consultants as appropriate. No questions or concerns were raised by Governance Committee members. The Mosaic team noted that the policy will be brought back for a second reading at the next committee meeting.

Board Governing Philosophy

Amy McDuffee and Saba Hashmi of Mosaic Governance Advisors presented a first reading of a proposed Board Governing Philosophy intended to define how the Board operates as a collective governing body. The philosophy was developed in response to prior Board direction to review agenda-setting practices and establish a framework to guide governance, board priorities, and decision-making. Mosaic will take feedback from the Committee and bring the draft Governing Philosophy back to the Governance Committee in November for action. The proposed philosophy reflects the Board's previously identified role as a strategic policy board and is designed to reinforce the distinction between governance and management responsibilities. Mosaic emphasized that the draft language serves as a starting point and sought committee feedback.

Suzanne Dugan of Cohen Milstein stated the importance of a statement of fiduciary responsibility within the proposed Governing Philosophy and also advised against absolutes. Committee members engaged in a discussion and suggested several areas for further consideration. Feedback included strengthening the emphasis on fiduciary responsibility and aligning the language more closely with the Board's statutory and fiduciary duties. Additional suggestions included incorporating concepts related to transparency, reliance on expert advisors, stewardship of Board and staff resources, efficient use of meeting time, the concept of one voice, and the Board's collective decision-making role. Trustees also requested additional context regarding how the governing philosophy will fit within the broader governance framework and relate to existing policies and governing documents. The team from Mosaic acknowledged the feedback and indicated the draft would be revised and returned for further review at a future meeting.

CEO Performance Evaluation

The Governance Committee approved going into closed Executive Session at 4:30 p.m. It was appropriate for the Committee to go into a Closed Executive Session pursuant to C.R.S. § 24-6-402(3)(b)(I) regarding the employment of an employee when that employee requests an executive session. Andrew Roth, PERA's Chief Executive Officer/Executive Director, requested the Governance Committee enter closed Executive Session. A quorum was noted by Chair Freyre.

Trustees present: Rebecca Freyre, Nate Geroche, Amy Grant, Maruti Moré, Tim O'Brien, Marcus Pennell, Trina Ruhland, Scott Simon, and Tonya Thompson.

In addition to the Trustees, Andrew Roth, PERA Chief Executive Officer/Executive Director; Kevin Gallaway, PERA General Counsel; Rebecca Harren, PERA Director of Human Resources; Rachel Kelley, PERA Board Liaison; Megan Peitzmeier, PERA Deputy General Counsel, Suzanne Dugan, Special Counsel, Cohen Milstein Sellers & Toll; Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; and Saba Hashmi, Senior Analyst, Mosaic Governance Advisors, participated in the closed Executive Session. All other PERA staff and guests left the room.

The closed Executive Session concluded at 5:22 p.m.

Chair Freyre stated that an important function of the Board is to oversee the performance of the CEO and to set the CEO's compensation. She noted that the Governance Committee had completed their review of Andrew Roth's performance evaluation for the 2025 fiscal year.

MOTION: A motion was made by Amy Grant and seconded by Nate Geroche that the Committee approve the Chief Executive Officer/Executive Director performance evaluation for

the 2025 fiscal year and recommend such performance evaluation to the Board for consideration at the June 25, 2026, meeting of the PERA Board of Trustees.

The motion was unanimously approved.

MOTION: A motion was made by Amy Grant and seconded by Marcus Pennell that the Chief Executive Officer/Executive Director be paid a 2025 performance award of $110,610, and recommend such performance award to the Board for consideration at the June 25, 2026, Board meeting of the PERA Board of Trustees.

The motion was unanimously approved.

MOTION: A motion was made by Amy Grant and seconded by Marcus Pennell that the Chief Executive Officer/Executive Director receive a merit increase of 3.5 percent effective January 1, 2026, and recommend such merit increase to the Board for consideration at

The motion was unanimously approved.

Committee Announcements

Committee Chair Freyre asked if there were any additional announcements. No additional announcements were made by the Governance Committee

2026 Governance Committee Meeting Dates

Chair Freyre noted the upcoming committee meeting dates.

November 19, 2026

With no further business to discuss, Chair Freyre adjourned the meeting at 5:27 p.m.

Respectfully submitted by,

Rachel Kelley

Board Liaison

Approved:

MOSAIC
Governance Advisors

Memo

To: Governance Committee (Committee)
Colorado Public Employees Retirement Association (PERA)

From: Amy McDuffee, Founder & CEO, Mosaic Governance Advisors, LLC (Mosaic)
Saba Hashmi, Senior Analyst, Mosaic

Date: November 19, 2026

Re: Routine Review of the Board Performance Evaluation Policy – Second Reading

Purpose

To review and take action on the attached revised Board Performance Evaluation (BPE) Policy, subject to Board approval.

Recommendation

Mosaic recommends that the Committee approve the attached BPE Policy. The Committee reviewed and discussed the revised policy at its June 2026 meeting, at which time no additional changes were requested. As part of PERA's final legal review, one phrase was added, as highlighted in the attached redlined version.

Background

With the support of staff and consultants, per the Charter for the Governance Committee, the Committee is responsible for developing and maintaining the *Governance Manual*, and overseeing the processes undertaken to review and recommend updates as needed.

The BPE Policy was adopted in 2001 and has been reviewed at least every five years, consistent with the policy's review requirements. For the June 2026 Committee meeting, Mosaic and staff conducted a routine review of this policy.

Most of the proposed edits were related to removing procedures and redundancies. The revisions streamlined the policy, added flexibility by removing unnecessary timing and evaluation-method requirements, and better aligned it with current practices. The requirement to seek CEO feedback as part of the BPE was made optional, and the potential sources of feedback were broadened, with input to be sought at the Board Chair's discretion.

Closing

Should you have questions in advance of the meeting, please feel free to contact us.

Attachment(s)

- Draft of Revised Board Performance Evaluation Policy (redlined version)
- Draft of Revised Board Performance Evaluation Policy (clean version)

Board Performance Evaluation Policy Proposed Revisions – Redlined Version

(as of November 5, 2026)

Purpose

1. To support strong governance practices and in the spirit of continuous improvement, the Board conducts periodic and consistent evaluations to assess its effectiveness in fulfilling its fiduciary and statutory responsibilities.
2. The scope of the evaluation should be strictly limited to the operations and decision-making practices of the Board itself. Issues pertaining to the operations of PERA or to staff fall within the scope of other Board policies, such as the *Strategic Planning Policy* and the *Chief Executive Officer/Executive Director Performance Evaluation Policy*.

Guidelines

3. The Board will reflect on and review its own performance, such as its strengths and challenges, on an annual basis. The Board may defer or cancel its annual performance evaluation due to any extenuating circumstances.
4. All Trustees will have an opportunity to provide feedback and are responsible to participate in this process.
5. Additional feedback from others, such as staff and consultants, may be requested, as determined by the Board Chair.
6. The Governance Committee will be responsible for overseeing the Board performance evaluation process, approving any forms or surveys to be used in the evaluation, discussing the findings, reporting the findings to the Board, and making recommendations to the Board for addressing issues arising from the evaluation.
7. The Governance Committee Chair will be responsible for coordinating and assisting in the evaluation process and presenting the results to the Board.
8. To ensure the confidentiality of the process, the Board will appoint a third-party vendor to support this process, including gathering individual feedback and providing the aggregate high-level findings without attribution.
9. In no event shall individually identifiable responses be provided or made available by the third-party vendor to PERA, the Board or its committees, individual Trustees, or any other party, unless otherwise required by law.
10. The Governance Committee will review the Board performance evaluation process, including any forms or surveys, at least every five years.

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Policy Review and History

11. The Board will review this policy at least every five years.

The Board adopted this policy on November 16, 2001. The Board approved changes to this policy on February 18, 2005, February 16, 2007, July 1, 2012, January 20, 2017, January 1, 2020, January 1, 2022, and [Month] [Date], 2026/2027.

DRAFT

Board Performance Evaluation Policy
Proposed Revisions – Clean Version

(as of November 5, 2026)

Purpose

1. To support strong governance practices and in the spirit of continuous improvement, the Board conducts periodic and consistent evaluations to assess its effectiveness in fulfilling its fiduciary and statutory responsibilities.
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Overview of the Process for the 2026 CEO Performance Evaluation

Governance Committee Item (Information)

Presentation to Colorado PERA | November 19, 2026

By Amy McDuffee & Saba Hashmi, Mosaic Governance Advisors, LLC

MOSAIC
Governance Advisors

Agenda

- Background and Purpose
- 2026 CEO Evaluation Process
- Questions and Next Steps

MOSAIC Governance Advisors

Background & Purpose

- **Why:** Required by Board policy; consistent with governance best practices.
- **Objective:** Align CEO actions with Board directives; informs compensation decisions.
- **Evaluation Responsibilities:**
  - **Governance Committee** conducts the preliminary evaluation and recommends compensation awards.
  - **Board** reviews evaluation and makes final compensation decision.

Today's Purpose: Understand the process and timeline.

MOSAIC Governance Advisors

What is New, and What Remains the Same

New for 2026

- Board-Required 360 Feedback Process
  - Conducted every other year
  - Focused on leadership behaviors and development

Unchanged

- Board-Approved Criteria, Weightings, and Measurements
- Governance Committee conducts preliminary evaluation
- Board makes the final evaluation and compensation decisions

MOSAIC Governance Advisors

Timeline of 2026 CEO Performance Evaluation

Nov–Dec 2026 – 360 Survey	360 Feedback
Jan–Feb 2027 - Evaluation Survey	Performance Criteria Aligned Trustee Feedback
March 2027 - Committee	Part I: Qualitative Performance Evaluation
June 2027 - Committee	Part II & III: Quantitative Performance Evaluation with Compensation Recommendation
June 2027 - Board	Action on Parts I – III and Compensation

MOSAIC Governance Advisors

The Role of 360 Feedback: Supporting Development

- Broadens the perspective beyond the Board's direct interactions with the CEO.
- Identifies strengths and opportunities for ongoing CEO development.
- Grounded in PERA's *culture anchors*.
- Does not change the approved evaluation criteria or compensation calculation.

360-degree feedback is used to support the CEO's ongoing leadership development, not as a measure of performance.

MOSAIC Governance Advisors

What to Expect Next

Next week: PERA HR launches 360

- All Board Members
- All Chief Officers and direct reports to the CEO
- CEO

November–December:

- Selected participants provide feedback

December:

- Mosaic analyzes results and meets with the Board Chair to review.
- Board Chair meets with Andrew to review the results.

January 2027:

- Andrew integrates the results into his self-evaluation narrative.

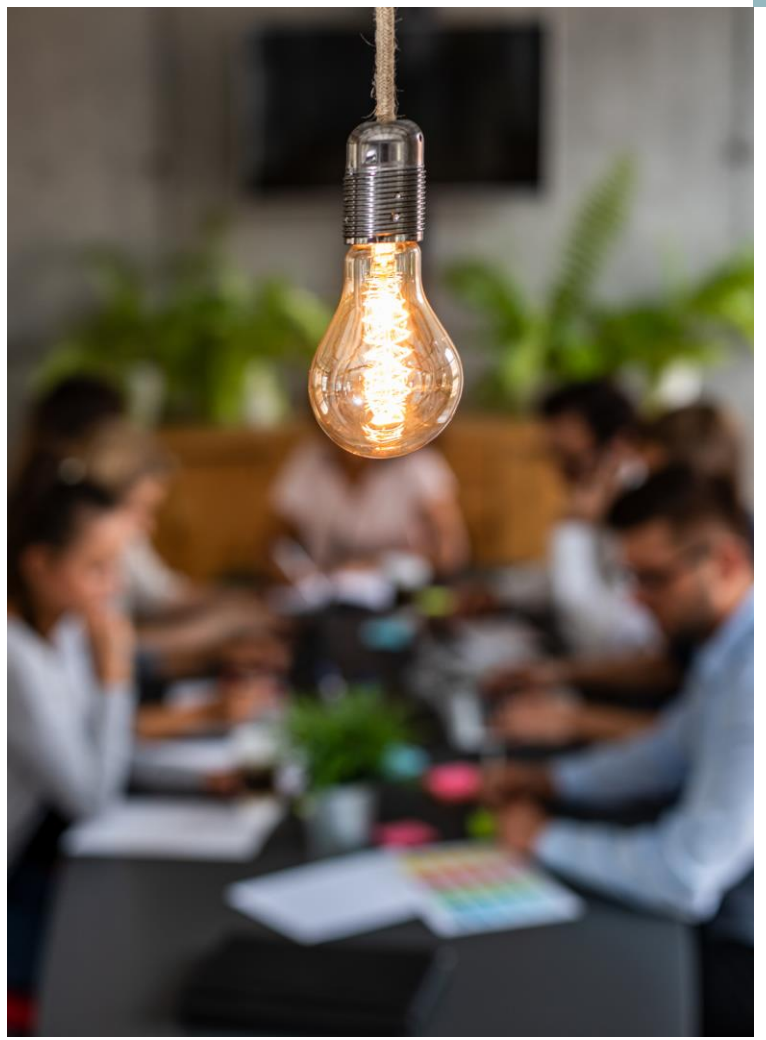
January - June 2027:

- The remainder of the evaluation process runs as scheduled.

MOSAIC Governance Advisors

Discussion

What questions does the Committee have before the process begins?



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Thank You

Mosaic Governance Advisors, LLC

720-316-1919

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Appendix. PERA's 360 Feedback Process is Anchored in Organizational Culture

- Serve with Integrity and Ownership
- Collaborate to Deliver Results
- Communicate Openly and Inclusively
- Support People, Growth, and Well-Being
- Empower through Strengths

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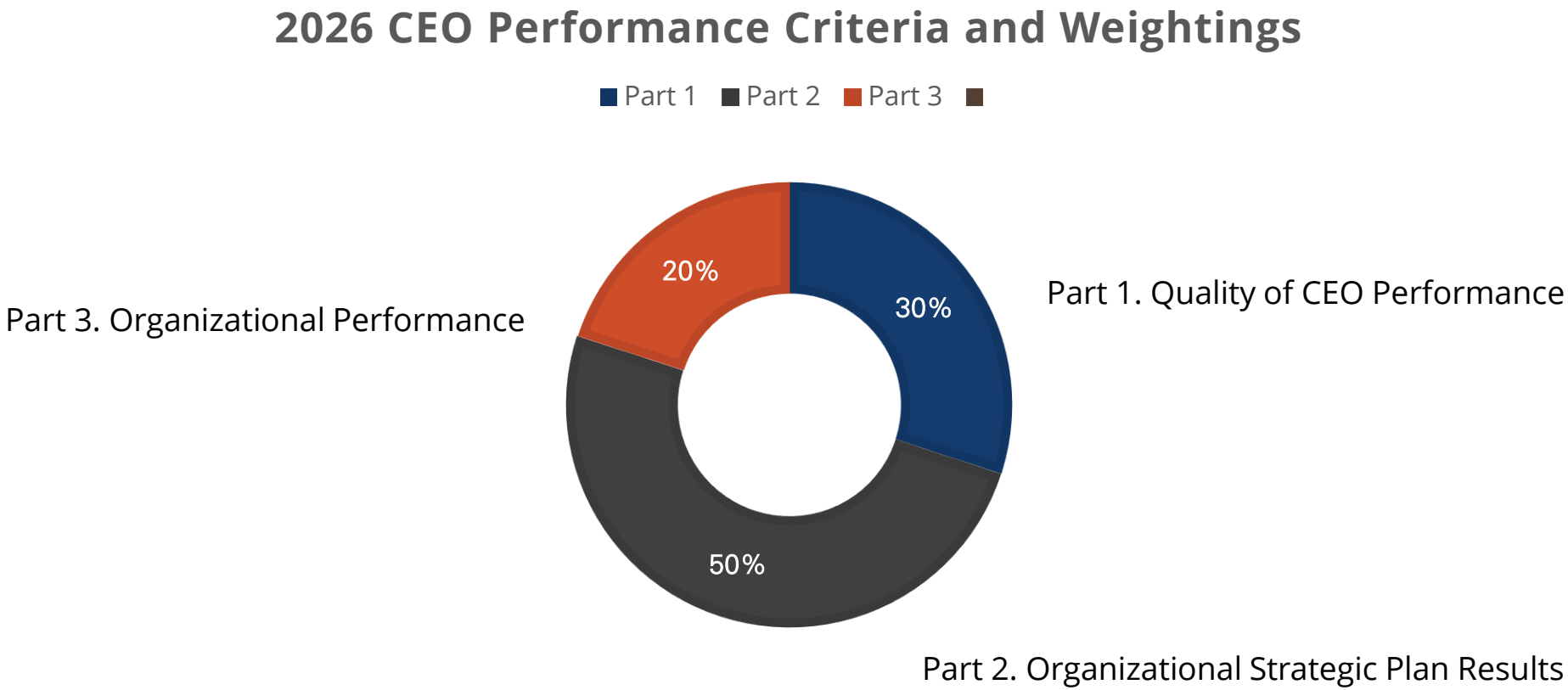
Appendix. Overview of Board-Approved 2026 Evaluation Structure *(see attachment)*



Introduction

The Board is responsible for annually evaluating the quality of the CEO/Executive Director's performance as PERA's chief executive, including how well the organization is evolving in alignment with its strategic plan and how well the organization has performed consistent with its mandate. The Charter for the CEO/Executive Director sets forth the duties and responsibilities of the position.

The purpose of this document is to set forth the performance standards expected by the CEO/Executive Director. The expectations are set by the Board in consultation with the CEO/Executive Director annually in advance of the performance period. Upon the conclusion of the performance period, the expectations are applied retrospectively by the Board (through CEO/Executive Director performance evaluation) and the CEO/Executive Director (through self-evaluation) to assess how well the expectations have been satisfied for a given performance period.

The expectations consist of the following weighted criteria:

Part I. Quality of CEO/Executive Director Performance - 30% of the total eligible performance award

Part II. Organizational Results under the Strategic Plan – 50% of the total eligible performance award

Part III. Organizational Performance – 20% of the total performance award

The results of the performance evaluation are used by the Board to identify consensus performance messages to deliver to the CEO/Executive Director and to determine the amount of the CEO/Executive Director's annual performance award.

Part I. Quality of CEO/Executive Director Performance (30% of total eligible performance award)

Assesses how well the CEO/Executive Director's performed against the following expectations as PERA's chief executive. The spirit of the words below is important to take into consideration.

Rating	**Leading**	**Managing**	**Engaging**
1 **Meets Expectation**	• Maintains a productive, well-aligned, and transparent relationship with the board, responding appropriately to board guidance and ensuring it has information needed to exercise its governance role. • Clearly communicates the strategic plan and reinforces its importance.	• Manages operations and financial performance through the executive team in a professional, ethical, compliant, and risk-aware manner. • Ensures accountability for strategic plan performance through a clear, actionable annual implementation plan.	• Credibly engages staff, including a high-performing executive team, to encourage a sense of achievement and belonging in delivering the mission in alignment with PERA values. • Establishes working relationships with key stakeholders, policy makers, and partner organizations.
2 **Exceeds Expectation**	In addition to 1, • Shapes and models appropriate cultural expectations for the organization. • Demonstrates strong judgment regarding when management leads, when the Board should lead, and when to partner. Supports the Board appropriately in all situations.	In addition to 1, • Seeks ways to improve and find efficiencies in PERA's business performance through appropriate prioritization and resourcing. • Applies mission, vision, and values to guide and resolve organizational issues.	In addition to 1, • Instills in staff the intrinsic motivation to embrace PERA's values and achievements as their own in delivering PERA's mission and vision. • Engages and nurtures working relationships with key stakeholders, policy makers, and partner organizations.

3 **Outstanding**	In addition to 1 and 2, • Demonstrates that CEO/Executive Director leadership has positively impacted organizational culture. • Utilizes framework for the board and organization to anticipate issues and address them efficiently and effectively.	In addition to 1 and 2, • Supports a sustained organizational mindset of continuous improvement through appropriate structures, systems, and processes.	In addition to 1 and 2, • Inspires staff to their highest level of performance in delivering PERA's mission and vision. • Demonstrates productive working relationships with stakeholders, policymakers, and partner organizations to drive positive outcomes for PERA.

Part II. Organizational Results Under the Strategic Plan (50% of the total eligible performance award)

Assesses how well progress has been made under the Annual Implementation Plan to accomplish key objectives for the year in alignment with the Strategic Plan.

Rating	Description
1 Meets Expectations	Demonstrates satisfactory accomplishment of up to 50% of the corresponding measures and targets for the fiscal year's strategic plan objectives
2 Exceeds Expectations	In addition to 1, demonstrates satisfactory accomplishment of up to 75% of the corresponding measures and targets for the fiscal year's strategic plan objectives
3 Outstanding	In addition to 1 & 2, demonstrates satisfactory accomplishment of up to 100% of the key measures and targets for the fiscal year's strategic plan objectives

Part III. Organizational Performance (20% of the total eligible performance award)

The CEO/Executive Director works through PERA staff to deliver on PERA's mission and mandate. This section reflects quantitative achievement of the following organizational performance objectives.

a) Organizational reputation and brand (Weighting: 25% of this section's total eligible performance award)

i) Net Promoter Score for Members is above baseline.

b) Benefit Administration (Weighting: 25% of this section's total eligible performance award)

i) Service Level Agreement on time percentage within 75% - 85%.

ii) Aggregate customer satisfaction survey scores of 4.25 or higher (out of a total of 5.0).

a. Customer Service (phone calls)
b. Benefits Services: Individual Counseling
c. Benefits Services: New Retiree
d. Member Education (virtual and in-person group meetings)
e. PERACare Open Enrollment

c) Investment Performance Results. (Weighting: 25% of this section's total eligible performance award)

i) The most recent five-year (calendar-year basis) investment return of the Fund relative to the Fund's policy benchmark net of fees.[1]

d) **Financial Management. (Weighting: 25% of this section's total eligible performance award)**

i) Received unmodified audit opinion with no material weakness from the External Auditor.

[1] The average five-year return will only be used once the ED has served in that role for five calendar years. Until that time, the average number of completed calendar years will be used for this calculation.

Note:

As PERA's chief executive, the Executive Director (ED) has overall responsibility for all aspects of PERA's operations, including the benefit administration and investment programs, the performance of which can have an impact on PERA's reputation. The Board recognizes that the day-to-day management of PERA's operations are overseen by PERA officers who have deep expertise in their functional areas. Benefits administration and investment performance are factors in the ED's evaluation because they reflect the scope of the ED's responsibilities and strengthen the alignment of interests between the ED and as well as the leadership team and all PERA staff. Organizational brand and reputation are factors in the ED's evaluation because they reflect not only the perception of performance from the benefits administration and investment programs, but the full suite of support services provided by PERA. Such alignment of interests helps to ensure the ED is incented to provide whatever support he or she can to PERA leadership in delivering performance consistent with PERA's mission. Such support might include, but is not limited to:

Ensuring the leadership team has the necessary budget, staffing, technology, and staff compensation structures to manage their program areas; and

Helping the leadership team inform and educate stakeholders (e.g., the Legislature, the Governor, members, employers, the media, etc.) about the benefits and investment programs.

Setting 2027 CEO Performance Criteria

Governance Committee Item (Action)

Presentation to Colorado PERA | November 19, 2026

Amy McDuffee and Saba Hashmi, Mosaic Governance Advisors, LLC

MOSAIC
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Agenda

- Purpose and Context
- Proposed 2027 Refinements
- Committee Discussion
- Recommendation

MOSAIC Governance Advisors

Today's Decision Establishes Expectations for 2027 CEO Performance

Nov 2026 – Jan 2027	Committee sets evaluation criteria and weightings, subject to Board approval
Jan – Dec 2027	Criteria guide CEO priorities and performance
Jan – June 2028	Committee evaluates CEO performance and considers compensation, subject to Board approval

MOSAIC Governance Advisors

Evaluation Criteria Should Evolve as PERA's Context and Priorities Evolve

When the current model was established	Looking ahead to 2027
Establish a disciplined approach to strategic planning and execution.	Build on the strategic management practices now in place while continuing to mature performance measures.
Reinforce the importance of strong executive leadership.	Maintain strong leadership while increasing focus on organizational results.
Focus the CEO on the Board's most immediate priorities.	Align the criteria with PERA's current priorities.

The proposed changes build on the progress made and are intended to reflect PERA's context and priorities today.

MOSAIC Governance Advisors

Two Proposed Refinements

1

Rebalance the weightings

Make adjustments to reflect PERA's priorities today and where the Board wants the CEO focused going forward.

2

Strengthen measurement and scoring

Improve how results are evaluated by considering their quality and strategic significance and using incremental scoring where an established methodology supports it.

1

Refinement 1. Rebalance the Weightings

Component	Current Weighting	Proposed Weighting	Rationale
Part 1. Quality of CEO/Executive Director Performance	30%	30% **(—)**	No Change; Continues to recognize leadership quality as a core component of CEO performance.
Part 2. Organizational Results under the Strategic Plan	**50%**	**40%** (▼)	PERA now has a formalized process for implementing its strategic plan, allowing the Board to reduce the weighting while keeping strategy an important part of CEO performance.
Part 3. Organizational Performance	**20%**	**30%** (▲)	Places greater emphasis on how PERA performs in key areas, including member service, investments, and financial stewardship.

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2 Refinement 2. Strengthen Measurement and Scoring

	Evaluation Component	Proposed Approach
	Part I. CEO Leadership	**No change** *Continue using trustee assessments and Committee judgment*
A	**Part II. Strategic Plan Results**	**Refine how results are evaluated** *Consider achievement of annual measures and targets together with the quality, significance and strategic contribution of the results**
B	**Part III. Organizational Performance**	**Use incremental scoring for investment performance** *Recognize results along an established range rather than binary scoring***

***** The proposed approach recognizes PERA's current measurement maturity while creating a stronger basis for evaluating meaningful strategic performance.

****** Consider incremental scoring for investment performance to align with the Investment Department Incentive Plan methodology. Retain current scoring for other measures in this Part unless and until appropriate performance ranges are developed.

2A

Strengthening Evaluation of Strategic Plan Results

Option	How it Works	Considerations
Activities Based (Current)	Evaluates progress primarily based on the percentage of annual measures and targets accomplished.	• Simple way to evaluate; motivates achieving forward motion • Could be interpreted as recognizing activity over quality
Qualitative (Proposed)	Evaluates strategic performance based on: • Achievement of annual measures and targets • Quality and significance of results achieved • Contribution to PERA's strategic priorities • Meaningful progress toward longer-term objectives	• Better reflects results achieved; current reporting exists for board assessment • Adds rigor to the evaluation while recognizing the maturity of performance measures

2B

Two Options for Recognizing Investment Performance

Option	How it Works	Considerations
Binary (Current)	If benchmark met: full credit If benchmark not met: no credit	• Simple, but even a small shortfall earns no credit • Could potentially create misalignment in motivation with Investment Department
Range-of-Results (Proposed)	Payout varies based on performance relative to benchmark	• Better reflects results achieved • Uses an approach already in place for the Investment Department

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Summary of Proposed 2027 CEO Criteria

- The proposed 2027 criteria maintain the three-part structure while:
  - Retaining emphasis on the quality of CEO leadership (Part I)
  - Strengthening the evaluation of strategic results (Part II)
  - Better differentiating levels of investment performance (Part III)
  - Increasing emphasis on enterprise-level organizational performance (weightings across all three parts)
- See Attachment for the complete proposed 2027 criteria.

Today's Committee Discussion

1. **Discuss and confirm the proposed weighting changes**
   Confirm the relative emphasis on Parts I, II and III.

2. **Discuss and confirm the proposed measurement and scoring refinements**
   Confirm the revised approach to evaluating strategic plan results (2A) and evaluating investment performance results using the Investment Department methodology (2B).

3. **Discuss any other questions the Committee may have about the proposed criteria**

Recommendation

Mosaic recommends that the Committee approve the proposed 2027 CEO performance evaluation criteria and weightings, including:

- Revised weightings for Parts II and III
- A strengthened approach to evaluating strategic plan results
- Incremental scoring for investment performance using the established Investment Department methodology.

Thank You

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Appendix. How the Changes Work in Practice – Based on CEO 2026 Salary of $472,186

Performance Award.

Up to a 25% of the CEO's base salary; total max possible $118,046.50

Current Weightings	$ Amount of Incentive
Part I (30%)	$35,413.95
Part II (50%)	$59,023.25
Part III (20%)*	$23,609.30
Total	**$118,046.50**

*4 underlying subcomponents: $5,902.32 each

Proposed Weightings	$ Amount of Incentive
Part I (30%)	$35,413.95
Part II (40%)	$47,218.60
Part III (30%)**	$35,413.95
Total	**$118,046.50**

**3 underlying subcomponents: $11,804.65 each

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Appendix. Illustrative Example: How the Two Scoring Methods Would Have Applied

Using 2025 investment results and the CEO's 2025 investment-performance opportunity

Current (Binary) Method	Proposed (Range-of-Results) Method
Benchmark was not met	Performance recognized along the established range
0% of the investment component earned	39.37% of the investment component earned
Award: $0	Illustrative award*: $2,324

The range-of-results calculation recognizes partial achievement based on performance relative to established targets rather than treating the result as a pass/fail.

*Illustrative calculation prepared by PERA using the Investment Department methodology and the CEO's completed years of employment. The calculation applies a 90% weighting to Total Fund excluding private equity and a 10% weighting to private equity. The underlying calculation produces an illustrative award of $2,323.75, or 39.37% of the $5,902.33 maximum investment component, compared with $0 under the current (binary) method.

Introduction

The Board is responsible for annually evaluating the quality of the CEO/Executive Director's performance as PERA's chief executive, including how well the organization is evolving in alignment with its strategic plan and how well the organization has performed consistent with its mandate. The Charter for the CEO/Executive Director sets forth the duties and responsibilities of the position.

The purpose of this document is to set forth the performance standards expected by the CEO/Executive Director. The expectations are set by the Board in consultation with the CEO/Executive Director annually in advance of the performance period. Upon the conclusion of the performance period, the expectations are applied retrospectively by the Board (through CEO/Executive Director performance evaluation) and the CEO/Executive Director (through self-evaluation) to assess how well the expectations have been satisfied for a given performance period.

The expectations consist of the following weighted criteria:

Part I. Quality of CEO/Executive Director Performance - 30% of the total eligible performance award

Part II. Organizational Results under the Strategic Plan – ~~50~~40% of the total eligible performance award

Part III. Organizational Performance – 30~~20~~% of the total performance award

The results of the performance evaluation are used by the Board to identify consensus performance messages to deliver to the CEO/Executive Director and to determine the amount of the CEO/Executive Director's annual performance award.

Part I. Quality of CEO/Executive Director Performance (30% of total eligible performance award)

Assesses how well the CEO/Executive Director's performed against the following expectations as PERA's chief executive. The spirit of the words below is important to take into consideration.

Rating	**Leading**	**Managing**	**Engaging**
1 **Meets Expectation**	• Maintains a productive, well-aligned, and transparent relationship with the board, responding appropriately to board guidance and ensuring it has information needed to exercise its governance role. • Clearly communicates the strategic plan and reinforces its importance.	• Manages operations and financial performance through the executive team in a professional, ethical, compliant, and risk-aware manner. • Ensures accountability for strategic plan performance through a clear, actionable annual implementation plan.	• Credibly engages staff, including a high-performing executive team, to encourage a sense of achievement and belonging in delivering the mission in alignment with PERA values. • Establishes working relationships with key stakeholders, policy makers, and partner organizations.
2 **Exceeds Expectation**	In addition to 1, • Shapes and models appropriate cultural expectations for the organization. • Demonstrates strong judgment regarding when management leads, when the Board should lead, and when to partner. Supports the Board appropriately in all situations.	In addition to 1, • Seeks ways to improve and find efficiencies in PERA's business performance through appropriate prioritization and resourcing. • Applies mission, vision, and values to guide and resolve organizational issues.	In addition to 1, • Instills in staff the intrinsic motivation to embrace PERA's values and achievements as their own in delivering PERA's mission and vision. • Engages and nurtures working relationships with key stakeholders, policy makers, and partner organizations.
3 **Outstanding**	In addition to 1 and 2, • Demonstrates that CEO/Executive Director leadership has positively	In addition to 1 and 2, Supports a sustained organizational mindset of continuous improvement	In addition to 1 and 2, • Inspires staff to their highest level of performance in delivering PERA's mission and vision.

impacted organizational culture. • Utilizes framework for the board and organization to anticipate issues and address them efficiently and effectively.	through appropriate structures, systems, and processes.	• Demonstrates productive working relationships with stakeholders, policymakers, and partner organizations to drive positive outcomes for PERA.

Part II. Organizational Results Under the Strategic Plan (~~5~~40% of the total eligible performance award)

~~Assesses how well progress has been made under the Annual Implementation Plan to accomplish key objectives for the year in alignment with the Strategic Plan .~~ Assesses the extent to which the CEO/Executive Director achieves results that advance PERA's Board-approved strategic plan, as demonstrated through the annual performance measures and targets established in management's implementation plan and shared with the Board at the beginning of the year.

Performance is evaluated based on the achievement of established measures and targets, the significance and quality of the results achieved, and their contribution toward advancing PERA's strategic priorities. The Board considers both demonstrated outcomes and meaningful progress toward longer-term strategic objectives.

Rating	Description
1 Meets Expectations	Achieves established annual performance measures and targets to a satisfactory degree, demonstrating meaningful progress toward PERA's strategic objectives.~~Demonstrates satisfactory accomplishment of up to 50% of the corresponding measures and targets for the fiscal year's strategic plan objectives~~
2 Exceeds Expectations	In addition to 1, demonstrates results that meaningfully exceed established annual performance targets, including achievements that produce greater strategic value than anticipated.~~In addition~~

	~~to 1, demonstrates satisfactory accomplishment of up to 75% of the corresponding measures and targets for the fiscal year's strategic plan objectives~~
3 Outstanding	In addition to 1 & 2, demonstrates exceptional achievement of strategic objectives, with significant and demonstrable annual results that materially advance PERA's strategic priorities and long-term organizational effectiveness.~~demonstrates satisfactory accomplishment of up to 100% of the key measures and targets for the fiscal year's strategic plan objectives~~

Part III. Organizational Performance (3~~2~~0% of the total eligible performance award)

The CEO/Executive Director works through PERA staff to deliver on PERA's mission and mandate. This section reflects quantitative achievement of the following organizational performance objectives.

~~**a) Organizational reputation and brand (Weighting: 25% of this section's total eligible performance award)**~~

~~i) Net Promoter Score for Members is above baseline.~~

Commented [AM1]: Since the NPS is conducted every other year and was recently completed (Spring 2026), including it as a 2027 CEO performance measure would essentially reflect results that are already known. For that reason, Mosaic recommends removing it from the 2027 CEO performance criteria. Organizational reputation and brand are addressed qualitatively through Parts 1 and 2.

~~**Benefit Administration (Weighting: 25% of this section's total eligible performance award)**~~

a) Benefits Administration and Customer Services (Weighting: 34% of this section's total eligible performance award)

i) Service Level Agreement on time percentage within 75% - 85%.

ii) Average of A~~a~~ggregate customer satisfaction survey scores of 4.25 or higher (out of a total of 5.0).

Commented [AM2]: Suggesting this change to reflect the average rating of all of the customer service surveys

a. Customer Service (phone calls)
b. Benefits Services: Individual Counseling
c. Benefits Services: New Retiree
d. Member Education (virtual and in-person group meetings)
e. PERACare Open Enrollment

b) Investment Performance Results (Weighting: 33~~25~~% of this section's total eligible performance award)

i) **Option A (Current Approach)** The most recent five-year (calendar-year basis) investment return of the Fund relative to the Fund's policy benchmark net of fees.[1]

ii) **Option B (Proposed Approach - Aligned with Investment Department Incentive Plan Measurement Methodology)**

Incentive awards shall be based upon the performance of the Total Fund. When actual performance of the Total Fund has outperformed the benchmark, the following performance-award scale will be applied to determine the level of performance

[1] The average five-year return will only be used once the ED has served in that role for five calendar years. Until that time, the average number of completed calendar years will be used for this calculation.

achieved. Actual performance is determined net of fees, and where applicable, also net of securities lending performance. The performance for the short-term, medium-term and long-term performance timeframes will be determined, as applicable. The timeframe used to calculate the performance award will also be weighted according to the following metrics to determine the earned percentage.

Total Fund Benchmark: PERA Policy Benchmark ex-Private Equity, plus Private Equity PME incentive component

Total Fund Performance Timeframes and Scales:

Period	**Weight**	**Incentive Award Scale**
1 Year	10%	0-45 bp
3 Year	30%	0-25 bp
5 Year	60%	See below*

*Total Fund Incentive Award Scale – Phase In Schedule

Year	**Award Scale 5 year**
2027	0-18
2028	0-19
2029 and onward	0-20

The medium-term and long-term performance portion may be determined by a shorter timeframe in the event that the CEO has not been employed for enough performance periods (i.e., calendar years) to be measured by the full medium-term or long-term timeframes identified. Total Fund Ex-PE medium-term and long-term performance will be determined by the number of completed performance periods in which they have been an eligible employee.

c) **Financial Management (Weighting: 33~~25~~% of this section's total eligible performance award)**
   i) Received unmodified audit opinion with no material weakness from the External Auditor.

Note:

As PERA's chief executive, the Executive Director (ED) has overall responsibility for all aspects of PERA's operations, including the benefit administration and investment programs, the performance of which can have an impact on PERA's reputation. The Board recognizes that the day-to-day management of PERA's operations are overseen by PERA officers who have deep expertise in their functional areas. Benefits administration and investment performance are factors in the ED's evaluation because they reflect the scope of the ED's responsibilities and strengthen the alignment of interests between the ED and as well as the leadership team and all PERA staff. Organizational brand and reputation are factors in the ED's evaluation because they reflect not only the perception of performance from the benefits administration and investment programs, but the full suite of support services provided by PERA. Such alignment of interests helps to ensure the ED is incented to provide whatever support he or she can to PERA leadership in delivering performance consistent with PERA's mission.

Such support might include, but is not limited to: ensuring the leadership team has the necessary budget, staffing, technology, and staff compensation structures to manage their program areas; and helping the leadership team inform and educate stakeholders (e.g., the Legislature, the Governor, members, employers, the media, etc.) about the benefits and investment programs.

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Part II. Organizational Results Under the Strategic Plan (40% of the total eligible performance award)

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3 Outstanding	In addition to 1 & 2, demonstrates exceptional achievement of strategic objectives, with significant and demonstrable annual results that materially advance PERA's strategic priorities and long-term organizational effectiveness.

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   i) Received unmodified audit opinion with no material weakness from the External Auditor.

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Such support might include, but is not limited to: ensuring the leadership team has the necessary budget, staffing, technology, and staff compensation structures to manage their program areas; and helping the leadership team inform and educate stakeholders (e.g., the Legislature, the Governor, members, employers, the media, etc.) about the benefits and investment programs.

Board Governing Philosophy – *Second Reading*

Governance Committee Item (Action)

Presentation to Colorado PERA | November 19, 2026

By Amy McDuffee, Founder/CEO, Mosaic

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Today: Second Reading and Committee Action

September 2025 – Planning Meeting	Board direction. Review how meeting agendas are set.
November 2025 – Committee	Strengthen agenda setting and introduce the concept of Governing Philosophy.
June 2026 - Committee	Committee reviewed the initial draft and provided feedback.
November 2026 – Committee	**Today: Review the revised draft and consider approval.**
2027	If approved, incorporate into *Governance Manual* and Board practices.

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What We Heard from the Committee

The Committee asked for a Governing Philosophy that:

- Has a clear and distinct purpose
- Reinforces collective, transparent governance
- Supports disciplined decisions and strategic use of time

The revised draft responds directly to these themes.

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A Governing Philosophy Connects Authority to Practice



Governance in Practice *How we exercise governance*	Agendas & Workplans | Processes Meeting Materials | Evaluations
Charters and Policies *How governance is formalized*	Roles & Duties | Delegation | Direction
Governing Scope *Where and what we govern*	Areas and Focus of Board Responsibilities
Governing Philosophy *How we govern*	Board Type | Leadership Approach
Authority *What we are entrusted to do*	Statutes | Fiduciary Duties | Regulations

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A Practical Guide for How the Board Governs

It establishes:

- The kind of board PERA seeks to be
- How the board governs and makes decisions collectively
- A foundation for interpreting the *Governance Manual**

It will be used to:

- Guide deliberations, priorities, agendas, and use of board meeting time
- Support board and committee chairs in facilitating the work
- Evaluate and strengthen the Board's governance

*The Governing Philosophy does not replace legal requirements, charters, conduct standards, or operating policies.

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How the Draft* Responds to Committee Feedback

Committee Feedback	Response in the Revised Draft
Clarify purpose and avoid duplication	Added a preamble explaining the philosophy's role and use
Govern within statutory authority	Strengthened the fiduciary responsibility statement
Use time and agendas strategically	Added purposeful use of time and agenda
Govern collectively and with one voice	Strengthened collective decision-making and respect for Board decisions
Delegate appropriately and rely on expertise	Expanded strategic governance and delegation
Reinforce transparency and trust	Strengthened trust and stewardship

*Please see Committee materials attachments for tracked changes and clean versions of second reading materials.

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Today's Decision

Does the revised Governing Philosophy:

- Reflect how the Board seeks to govern collectively?
- Address the Committee's June feedback?
- Provide an appropriate foundation that feels familiar with actual practice?

Requested Action:

- Mosaic recommends that the Committee approve the Governing Philosophy statement and incorporate it into the *Governance Manual*.

Thank You

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PERA Board Governing Philosophy

Proposed Changes – Second Reading (redlined version)

This Governing Philosophy articulates the Board's overarching approach to governance of PERA. It serves as a foundation for interpreting and applying the charters and policies within the *Governance Manual*. It defines the kind of body the PERA Board seeks to be and establishes guiding principles for how the Board, acting as a collective body, fulfills its responsibilities, conducts its work, and makes decisions. The Governing Philosophy guides the Board's deliberations, priorities, and use of time; supports Board and committee chairs in facilitating the Board's work; and provides a basis for evaluating and continually strengthening the Board's governance.

1. **Fiduciary Responsibility**
   The Board affirms ~~that~~ its fiduciary responsibility ~~is~~ to PERA participants as a whole~~,~~ and ~~it is committed to acting in their best interests by ensuring~~, consistent with its statutory authority and legal obligations, carries out its functions solely in the interest of the participants and for the exclusive purpose of providing benefits, with fair, equitable, and impartial treatment in ~~all decisions~~its decision-making.

2. **Continuous Governance Improvement**
   The Board ~~is dedicated to~~ continuously ~~strengthening~~strengthens and ~~evolving~~evolves its governance practices to enhance effectiveness~~, accountability,~~ and the long-term value delivered to PERA and its participants~~.~~.

3. **Purposeful Use of Time and Agenda**
   The Board uses its agenda and the time of the Board, Trustees, and PERA staff purposefully, focusing its attention on matters that advance its governance responsibilities and strategic priorities.

~~3.~~4. **Collective Decision-Making and One Voice**
   The Board fosters a collaborative, consensus-driven culture that values diverse perspectives ~~while supporting~~, supports informed collective decision-making~~.~~, and communicates with one voice once decisions are made.

5. **Respect for Board Decisions**
   The Board respects the decisions of the collective body and avoids unnecessarily revisiting matters that have been sufficiently considered and decided unless new information or changed circumstances warrant reconsideration.

~~4.~~6. **Strategic Governance and Delegation**
   The Board operates as a forward-looking, strategic policy body~~, working~~ and works in ~~a~~ constructive ~~and respectful~~ partnership with the CEO ~~to guide organizational success.~~. The Board delegates appropriately and relies on the expertise of the CEO, PERA staff, Board-appointed service providers, and other qualified professionals while retaining accountability for its governance and oversight responsibilities.

~~5.~~7. **Trust and Stewardship**

The Board ~~commits to accountability and upholding the~~upholds stakeholder trust and confidence ~~of stakeholders~~through ethical conduct, transparency, clear governance, and responsible stewardship.

PERA Board Governing Philosophy

Proposed Changes – Second Reading (clean version)

This Governing Philosophy articulates the Board's overarching approach to governance of PERA. It serves as a foundation for interpreting and applying the charters and policies within the *Governance Manual*. It defines the kind of body the PERA Board seeks to be and establishes guiding principles for how the Board, acting as a collective body, fulfills its responsibilities, conducts its work, and makes decisions. The Governing Philosophy guides the Board's deliberations, priorities, and use of time; supports Board and committee chairs in facilitating the Board's work; and provides a basis for evaluating and continually strengthening the Board's governance.

1. **Fiduciary Responsibility**
   The Board affirms its fiduciary responsibility to PERA participants as a whole and, consistent with its statutory authority and legal obligations, carries out its functions solely in the interest of the participants and for the exclusive purpose of providing benefits, with fair, equitable, and impartial treatment in its decision-making.

2. **Continuous Governance Improvement**
   The Board continuously strengthens and evolves its governance practices to enhance effectiveness and the long-term value delivered to PERA and its participants.

3. **Purposeful Use of Time and Agenda**
   The Board uses its agenda and the time of the Board, Trustees, and PERA staff purposefully, focusing its attention on matters that advance its governance responsibilities and strategic priorities.

4. **Collective Decision-Making and One Voice**
   The Board fosters a collaborative, consensus-driven culture that values diverse perspectives, supports informed collective decision-making, and communicates with one voice once decisions are made.

5. **Respect for Board Decisions**
   The Board respects the decisions of the collective body and avoids unnecessarily revisiting matters that have been sufficiently considered and decided unless new information or changed circumstances warrant reconsideration.

6. **Strategic Governance and Delegation**
   The Board operates as a forward-looking, strategic policy body and works in constructive partnership with the CEO. The Board delegates appropriately and relies on the expertise of the CEO, PERA staff, Board-appointed service providers, and other qualified professionals while retaining accountability for its governance and oversight responsibilities.

7. **Trust and Stewardship**
   The Board upholds stakeholder trust and confidence through ethical conduct, transparency, clear governance, and responsible stewardship.

Succession Planning:
Policy Proposed Revisions – First Reading

Governance Committee Item (Information)

Presentation to Colorado PERA | November 19, 2026

By Amy McDuffee & Saba Hashmi, Mosaic Governance Advisors, LLC

MOSAIC
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Agenda

- Background and Purpose
- Proposed Policy Revisions
- Committee Feedback
- Next Steps

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Background

TODAY'S FOCUS

1 2025

Term limits established

SB 25-147 established term limits for non-ex officio trustees.

2 2025–2026

Election practices considered

Strategic Plan called for review of the election process and candidate requirements and practice enhancements.

3 NOVEMBER 2026

Succession Planning Policy review

Review of the Board-level succession planning policy.



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Purpose of a Board-Level Succession Planning Policy

To clarify the Board's succession planning responsibilities and support continuity, readiness, and effective leadership transitions.



ACCOUNTABILITY

Clarifies the Board's role

CONTINUITY

Prepares for leadership transitions

READINESS

Anticipates future leadership needs

A consistent, forward-looking approach to leadership continuity.

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Proposed Policy Revisions
(see Attachment)

- Elevated to a strategic, Board-level focus
- Broadened scope to reflect the Board's succession responsibilities across its governance role
- Reframed succession planning around continuity, readiness, and transition risk
- Strengthened trustee development and Board leadership readiness
- Simplified policy language and removed unnecessary practice-level requirements

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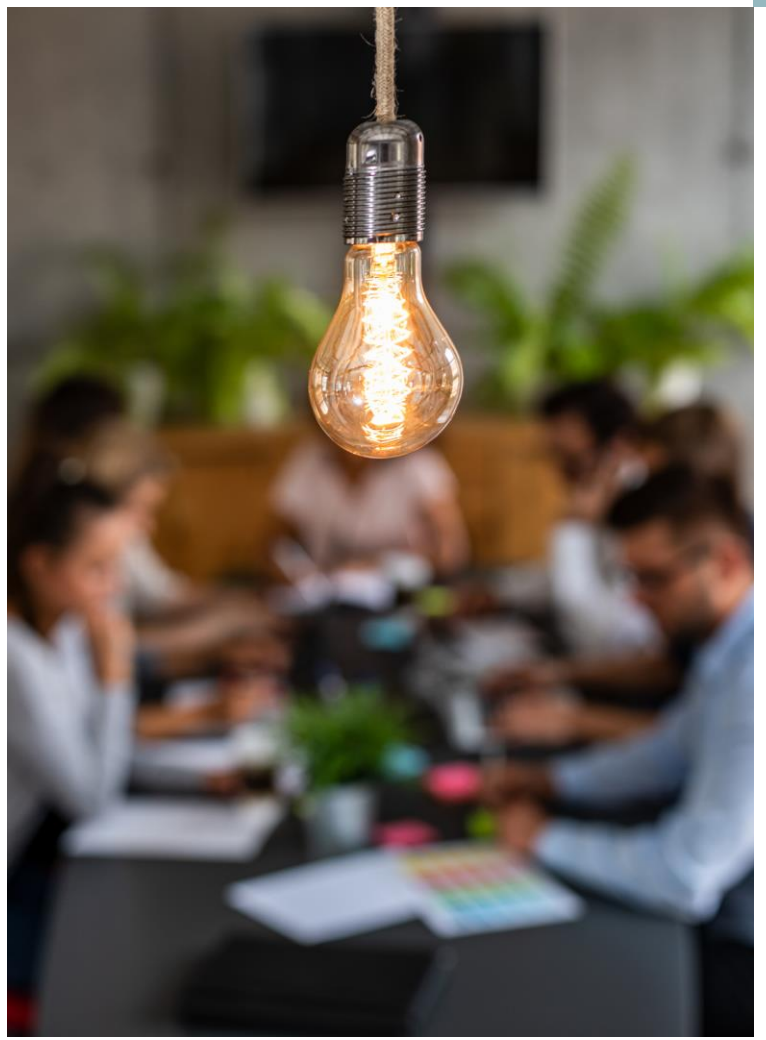
Discussion

What input and/or questions does the Committee have about the proposed changes?



Thank You

Mosaic Governance Advisors, LLC

720-316-1919

www.MosaicGovernance.com

MOSAIC
Governance Advisors

Succession Planning Policy – Proposed Revisions
First Reading - Redlined Version (as of November 5, 2026)

Background & Purpose~~Objectives~~

1. ~~Turnover among Trustees and management can have a significant impact on the operations of PERA. While the Board recognizes that it may not be able to prevent such turnover, it can, through effective succession planning, mitigate the risks and impacts associated with the loss of Board and staff members. This Succession Planning Policy has been prepared to provide a framework for the Board's succession planning efforts.~~Succession planning is a critical element of strategic governance and enterprise risk management that supports organizational readiness, talent recruitment and retention, continuity, and resilience through planned and unplanned transitions, including among Trustees and organizational leadership.
2. It also provides a framework for periodically assessing organizational roles and leadership needs, including the capabilities and expectations associated with them, to maintain alignment with the organization's current and future strategic needs and support long-term sustainability and institutional credibility.
3. PERA maintains succession planning practices across the organization.
4. This policy provides a framework for the Board's succession planning responsibilities within its governance scope.

Guidelines

Succession Planning for the Board

~~5. To help ensure a smooth and effective transition when new Trustees join the Board, the Board will undertake the following measures:~~
   ~~a. a. A description of the expectations and duties of PERA Trustees will be made available to all candidates seeking to serve on the Board by the Chief Executive Officer/Executive Director.~~
   ~~b. b. Trustees who have determined that they will not be seeking re-election to the Board are encouraged to inform the Board in a timely manner.~~
   ~~c. c. Newly elected or appointed Trustees will be encouraged to attend, if time permits, at least one meeting of the Board or its committees as observers prior to officially taking office, in order to familiarize themselves with the workings of the Board.~~
   ~~d. d. The Chair of the Board shall assign a Trustee as a mentor to each new Trustee.~~
   ~~e. e. Newly elected or appointed Trustees will participate in Board orientation sessions, as prescribed in the Board Education Policy~~

5. Board-level succession planning focuses on sustaining effective governance and continuity of oversight, enabling the Board to remain effective through trustee transitions and prepared to address emerging risks, increasing complexity, and evolving strategic demands.
6. Board composition, appointment, terms, vacancies, and related matters are established in PERA Law.

Commented [SH1]: Broadened the section beyond turnover and the loss of trustees or staff to reflect a more forward-looking view of succession planning, including both mitigating transition risks and supporting opportunities for continuity, development, and organizational readiness.

Commented [SH2]: Broadened beyond new trustees; elevated the language and removed practice-level requirements, including CEO-provided duty descriptions for candidates; removed education provisions addressed in the Education Policy; and added Board Chair/Vice Chair leadership.

Commented [SH3]: Mosaic recommends that this individual trustee provision be moved to another policy, such as the Standards of Professional and Ethical Conduct for the Board of Trustees.

7. Colorado PERA Rules establish requirements governing candidacy and election to the Board and the election of Board officers.
8. The Board has established policies to address and to fill Board-level vacancies, including at the Chair, Vice Chair, Committee Chair, and trustee level, and to address Board education and self-evaluation.
9. Within its statutory authority, the Board periodically reviews the trustee election process and related rules and policies to support effective Board succession and continuity.
10. The Board is responsible for fostering a strong governance culture and for maintaining, as a collective body, the knowledge, skills, and experience necessary to fulfill its fiduciary and governance responsibilities.
11. To fulfill this responsibility the Board will:
    a. Maintain clear and current descriptions of the roles and responsibilities of the Board and individual trustees to support trustee recruitment, help prospective candidates understand the Board's mandate and ways of working, and provide incumbent trustees and the Board with a clear reference for expectations.
    b. Maintain clear and current descriptions of the roles and responsibilities of Board officers and committees to support continuity and effective governance leadership.
    c. Maintain a sustained commitment to providing effective trustee onboarding, support, resources, and ongoing education to strengthen governance knowledge and capabilities and promote trustee development and success.
    d. Support trustee development and readiness to serve in a variety of roles, including Board and committee officer positions.
    e. Periodically review and assess the Board's approach to succession planning to support continued effectiveness and readiness, maintain alignment with governance expectations, and identify collective strengths, gaps, and future governance capability needs.

Succession Planning for the CEO and Executive Management

~~6. At least annually, the Governance Committee will meet with the Chief Executive Officer/Executive Director to discuss management succession.~~
~~7. The Governance Committee will report to the Board on its discussions regarding succession planning as appropriate.~~
~~8. In the event of a vacancy in the Chief Executive Officer/Executive Director position:~~
    ~~a. The Board Chair will appoint an Ad Hoc Vacancy Committee of the Board;~~
    ~~b. The Ad Hoc Vacancy Committee will determine the process for filling the position of Chief Executive Officer/Executive Director, including minimum and desired skill sets and experience, evaluation criteria, time frames, whether an external search consultant will be used, and any other relevant factors, and will promptly report to the Board on the process; and~~
    ~~c. The Board will be responsible for appointing the new Chief Executive Officer/Executive Director, as per the Board of Trustees Charter section 19.~~
~~9. The Chief Executive Officer/Executive Director will inform the Board in the event of a significant vacancy in management and will solicit Board input.~~

Commented [SH4]: Elevated the language beyond management succession and vacancy filling; consolidated related provisions; aligned with current Board responsibilities, policies, and practices; and expanded to include other positions for which the Board or its committees have succession-related responsibilities.

Commented [SH5]: Edited and relocated for better alignment and flow.

~~10. In the event a current Trustee applies for a position of employment at PERA, in order to be considered for the position, the Trustee shall be required to resign from the Board immediately after submitting their application.~~

12. The Board is responsible for the selection, compensation, oversight, succession planning, and, when necessary, termination of the CEO.
    a. The Board's succession planning responsibilities include assessing the organization's current and long-term strategic needs and ensuring the CEO position description remains aligned with those needs.
    b. In the event of a vacancy in the CEO position, the Board Chair will appoint an ad hoc committee of the Board and establish its scope of work to support the process for filling the vacancy. The Board will be kept informed throughout the process and retains final authority to select and appoint the CEO.
13. With the support of the CEO, the Audit Committee is responsible for matters related to the Chief Audit Executive, consistent with the Audit Committee Charter.
14. With the support of the CEO, the Board is responsible for approving the termination, if necessary, of the General Counsel.
15. At least annually, the Board will discuss succession planning with the CEO, including anticipated leadership transitions and internal and external succession considerations.
16. The CEO will inform the Board in a timely manner of significant succession matters or anticipated or actual vacancies within executive management and seek Board input, as appropriate.

Organization-Wide Succession Planning

17. Responsibility for all other staff matters is delegated by the Board to the CEO.
18. The CEO is responsible for succession planning throughout the organization. The Board will periodically receive information from the CEO regarding organizational succession planning and related risks.

External Support/Board Consultants Succession Planning

~~11.~~19. Succession and continuity considerations for Board-appointed service providers are addressed through the Board-Appointed Service Provider Selection and Monitoring Policy and process.

Charter Review and History

~~12.~~20. This charter will be reviewed at least every five years.
~~13.~~21. The Board adopted this charter on October 15, 2004. The Board approved changes to this Charter on February 18, 2005, February 10, 2006, February 16, 2007, July 1, 2012, June 21, 2016, January 1, 2020, January 1, 2022, ~~and on~~ June 21, 2024, and Month Date, 2027.

Commented [SH6]: Mosaic recommends that this individual trustee provision be moved to another policy, such as the Standards of Professional and Ethical Conduct for the Board of Trustees.

Commented [SH7]: Added: Organization-Wide

Commented [SH8]: Added: External Support/Board Consultants

Succession Planning Policy – Proposed Revisions
First Reading - Clean Version (as of November 5, 2026)

Background & Purpose

1. Succession planning is a critical element of strategic governance and enterprise risk management that supports organizational readiness, talent recruitment and retention, continuity, and resilience through planned and unplanned transitions, including among Trustees and organizational leadership.
2. It also provides a framework for periodically assessing organizational roles and leadership needs, including the capabilities and expectations associated with them, to maintain alignment with the organization's current and future strategic needs and support long-term sustainability and institutional credibility.
3. PERA maintains succession planning practices across the organization.
4. This policy provides a framework for the Board's succession planning responsibilities within its governance scope.

Guidelines

Succession Planning for the Board

5. Board-level succession planning focuses on sustaining effective governance and continuity of oversight, enabling the Board to remain effective through trustee transitions and prepared to address emerging risks, increasing complexity, and evolving strategic demands.
6. Board composition, appointment, terms, vacancies, and related matters are established in PERA Law.
7. Colorado PERA Rules establish requirements governing candidacy and election to the Board and the election of Board officers.
8. The Board has established policies to address and to fill Board-level vacancies, including at the Chair, Vice Chair, Committee Chair, and trustee level, and to address Board education and self-evaluation.
9. Within its statutory authority, the Board periodically reviews the trustee election process and related rules and policies to support effective Board succession and continuity.
10. The Board is responsible for fostering a strong governance culture and for maintaining, as a collective body, the knowledge, skills, and experience necessary to fulfill its fiduciary and governance responsibilities.
11. To fulfill this responsibility the Board will:
    a. Maintain clear and current descriptions of the roles and responsibilities of the Board and individual trustees to support trustee recruitment, help prospective candidates understand the Board's mandate and ways of working, and provide incumbent trustees and the Board with a clear reference for expectations.
    b. Maintain clear and current descriptions of the roles and responsibilities of Board officers and committees to support continuity and effective governance leadership.

c. Maintain a sustained commitment to providing effective trustee onboarding, support, resources, and ongoing education to strengthen governance knowledge and capabilities and promote trustee development and success.
d. Support trustee development and readiness to serve in a variety of roles, including Board and committee officer positions.
e. Periodically review and assess the Board's approach to succession planning to support continued effectiveness and readiness, maintain alignment with governance expectations, and identify collective strengths, gaps, and future governance capability needs.

Succession Planning for the CEO and Executive Management

12. The Board is responsible for the selection, compensation, oversight, succession planning, and, when necessary, termination of the CEO.
    a. The Board's succession planning responsibilities include assessing the organization's current and long-term strategic needs and ensuring the CEO position description remains aligned with those needs.
    b. In the event of a vacancy in the CEO position, the Board Chair will appoint an ad hoc committee of the Board and establish its scope of work to support the process for filling the vacancy. The Board will be kept informed throughout the process and retains final authority to select and appoint the CEO.
13. With the support of the CEO, the Audit Committee is responsible for matters related to the Chief Audit Executive, consistent with the Audit Committee Charter.
14. With the support of the CEO, the Board is responsible for approving the termination, if necessary, of the General Counsel.
15. At least annually, the Board will discuss succession planning with the CEO, including anticipated leadership transitions and internal and external succession considerations.
16. The CEO will inform the Board in a timely manner of significant succession matters or anticipated or actual vacancies within executive management and seek Board input, as appropriate.

Organization-Wide Succession Planning

17. Responsibility for all other staff matters is delegated by the Board to the CEO.
18. The CEO is responsible for succession planning throughout the organization. The Board will periodically receive information from the CEO regarding organizational succession planning and related risks.

19. External Support/Board Consultants Succession Planning Succession and continuity considerations for Board-appointed service providers are addressed through the Board-Appointed Service Provider Selection and Monitoring Policy and process.

Charter Review and History

20. This charter will be reviewed at least every five years.

21. The Board adopted this charter on October 15, 2004. The Board approved changes to this Charter on February 18, 2005, February 10, 2006, February 16, 2007, July 1, 2012, June 21, 2016, January 1, 2020, January 1, 2022, June 21, 2024, and Month Date, 2027.

Exhibit A – Draft Agenda

Governance Committee Meeting

Raymond “Doc” Heath Memorial Boardroom
1301 Pennsylvania Street
Denver, CO

Thursday March 25, 2027
Time: TBD

All times are approximate and for reference only. Items designated for Information are appropriate for Action if the Board wishes to take action.

1. **Approval of Consent Agenda**

   (Governance Item) Action
   Presented by: Rebecca Freyre, Chair, Governance Committee
   a. **March 25, 2027, Governance Committee Meeting Agenda**
   b. **November 19, 2026, Governance Committee Meeting Minutes**
   c. **2026 Board Service Provider Evaluation Process**

2. **2026 CEO Performance Evaluation**

   (Governance Item) Information
   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors
   a. **2026 CEO Performance Evaluation Presentation**

3. **2026 Board Performance Evaluation**

   (Governance Item) Information/Action
   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors
   a. **2026 Board Performance Evaluation Presentation**

4. **Board Election Process and Board Succession Planning**

   (Strategic Plan Item) Information/Action
   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors
   a. **Board Election Process and Board Succession Planning Presentation**

5. **Succession Planning Policy Revision**

   (Strategic Plan Item) Action
   Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors
   a. **Succession Planning Policy Presentation**

6. Biennial Governance Manual Review

(Governance Item) Information

Presented by: Amy McDuffee, Founder/CEO, Mosaic Governance Advisors; Saba Hashmi, Senior Analyst, Mosaic Governance Advisors

a. Biennial Governance Manual Presentation

7. Committee Announcements

(Governance Item) Information

Presented by: Rebecca Freyre, Chair, Governance Committee

8. 2027 Governance Committee Meeting Dates

(Governance Item) Information

Presented by: Rebecca Freyre, Chair, Governance Committee

- June 24, 2027
- November 18, 2027

Exhibit A – June 24, 2027, Governance Committee Meeting Agenda Draft
Exhibit B – Governance Committee 2027 Workplan

The Board may convene in Closed Executive Session pursuant to, but not limited to, the following:

A. Colorado Open Meetings Law, Section § 24-6-402(4)(a): Purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest;
B. Colorado Open Meetings Law, Section § 24-6-402(4)(b): Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions;
C. Colorado Open Meetings Law, Section § 24-6-402(4)(c): Matters required to be kept confidential by federal or state law or rules and regulations.
D. Colorado Open Meetings Law, Section § 24-6-402(4)(d): Specialized details of security arrangements or investigations, including defenses against terrorism, both domestic and foreign, and including where disclosure of the matters discussed might reveal information that could be used for the purpose of committing, or avoiding prosecution for, a violation of the law;
E. Colorado Open Meetings Law, Section § 24-6-402(4)(e)(I): Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators;
F. Colorado Open Meetings Law, Section § 24-6-402(4)(f)(I): Personnel matters except if the employee who is the subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting.
G. Colorado Open Meetings Law, Section § 24-6-402(4)(g): Consideration of any documents protected by the mandatory nondisclosure provisions of the “Colorado Open Records Act”, part 2 of article 72

PERA Governance Committee

2026 Workplan

A: Action - Action item. Seeking action from the committee so that the item can move to the full board for subsequent approval, as required.
I: Information - Information item. Seeking direction and discussion, no action required.
C: Consent - Routine item. No committee discussion required.

	March 19th	June 24th	November 19th
Performance Evaluation / Oversight	CEO Performance Evaluation (A) Board Performance Evaluation (A) Review Board Service Provider Evaluation Process (C/I)	CEO Performance Evaluation Approval (A) Board Service Provider Evaluations Results (A) Board Election Process and Board Succession Planning (I/A)	Overview 2026 CEO Performance Evaluation Process (I) Set 2027 CEO Performance Evaluation Criteria and Feedback Method (A) Review 2026 Board Performance Evaluation Process (C/I)
Policy Review / Development	Board and Committee Agenda Setting Charter and Policy Updates (C/A)	Board Performance Evaluation Policy (I) Board Governing Philosophy (I)	Board Performance Evaluation Policy (A) Board Governing Philosophy (A) Succession Planning Policy (I)
Routine Governance Items			Annual CEO Charter Review (C/I) Annual Governance Committee Charter Review (C/I) Review 2027 Governance Committee Workplan (I)

Activities related to periodic significant events will appear on the appropriate year's workplan. For example:
- Every other year, the Committee oversees a compliance review of the Governance Manual.
- Every 5 years, the Committee reviews the Board Performance Evaluation form.
- Every 5 years, the Committee informs/oversees a competitive bid for Board Governance Consultant.

Charter for the Chief Executive Officer/Executive Director

Introduction

1. The Board will appoint an Chief Executive Officer/ Executive Director who will be directed by, serve at the pleasure of, and may be dismissed at the will of, the Board.

2. The Board has authorities, duties, and responsibilities as set forth in PERA Law and reflected in the Board's Charter.

3. As per C.R.S. § 24-51-205(6)(a) of *PERA Law*, the Board may delegate any of its responsibilities, duties, and authorities to the Chief Executive Officer/Executive Director or designated PERA agents.

4. The Chief Executive Officer/Executive Director will accept any responsibilities, duties, and authorities delegated by the Board.

5. The Board acknowledges that the Chief Executive Officer/Executive Director may delegate any duties to staff. In doing so, however, the Chief Executive Officer/ Executive Director retains responsibility for such duties.

6. The Chief Executive Officer/Executive Director may be referred to as Chief Executive Officer (CEO) and use that title as appropriate.

Authority

7. The management of PERA is vested in the Chief Executive Officer/Executive Director. The Chief Executive Officer/Executive Director is the most senior executive and administrative head of PERA. The Chief Executive Officer/Executive Director will operate PERA in accordance with *PERA Law*, *PERA Rules*, and subject to the oversight of the Board. As such, the Board delegates to the Chief Executive Officer/Executive Director authority to act finally unless otherwise noted within the Governance Manual.

Duties and Responsibilities

Leadership

8. The Chief Executive Officer/Executive Director will:
   - **a.** In collaboration with the Board, develop and recommend to the Board the strategic plan;
   - **b.** Provide leadership to PERA in achieving its strategic plan;
   - **c.** Build and sustain the culture of the organization;
   - **d.** Assist the Board and its committees in establishing all policies of the Board; and
   - **e.** Develop all internal organizational policies necessary for the effective and efficient management of the organization.

Governance and Board Operations

9. The Chief Executive Officer/Executive Director will:
   - **a.** Fulfill the role of Secretary to the Board and Chief Executive Officer of PERA;
   - **b.** Assist the Board Chair with the coordination of Board meetings, agendas, minutes, schedules, and presentations for Board and committee meetings;
   - **c.** Assign staff liaisons to all Board committees;
   - **d.** Assist the Board in ensuring its meetings are conducted in accordance with the Colorado Open Meetings Law;
   - **e.** Ensure the timely preparation and distribution of agendas and related materials for Board and committee meetings;
   - **f.** Coordinate the implementation of the *Board Education Policy*;
   - **g.** Conduct correspondence of the Board;
   - **h.** Advise the Board on legislative proposals affecting PERA;
   - **i.** Provide a description of the expectations and duties of PERA Trustees to all candidates seeking to serve on the Board
   - **j.** Approve or deny international travel requests by Trustees;
   - **k.** Approve reimbursement to Trustee employers for temporary employees required while Trustees are on PERA business;

l. Review and approve Trustee requests for waivers or substitutions to educational requirements under the *Board Education Policy*, and proposed Trustee independent study plans;

m. Review Trustee compliance with the requirements set out in the *Board Education Policy*; and

n. Review any exceptions to the *Board Expense Reimbursement Policy.*

Investments

10. The Chief Executive Officer/Executive Director will:

a. Ensure that the investment program is appropriately resourced and supported consistent with PERA Law, PERA Rules, and the policy objectives of the Board; and

b. Delegate to the Chief Investment Officer the staff responsibilities set forth in the Statements of Investment Policy.

Benefit Administration

11. The Chief Executive Officer/Executive Director will:

a. Interpret provisions of the PERA plans and applicable laws and rules and determine the rights of, and payments to, PERA Participants;

b. Ensure delivery of consistently high standards of service quality to all PERA Participants;

c. Establish written procedures for the administration of the PERA Plans;

d. Establish requirements for PERA Participants and employers to furnish information necessary to administer the PERA Plans; and

e. Assist the Benefits Committee in periodic reviews of the design, administration, and service quality of the various PERA plans and programs.

Operations

12. The Chief Executive Officer/Executive Director will:

a. Monitor all aspects of PERA's operations and environment and provide the Board with all relevant, appropriate, and timely information to enable it to properly carry out its monitoring and oversight responsibilities;

b. Recommend to the Board the annual budget, as well as any amendments or supplemental budgets;

c. Make all necessary operational expenditures, consistent with the operating budget and internal controls approved by the Board;

d. Execute contracts in accordance with the policies of the Board;

e. Establish appropriate operational controls;

f. Ensure the appropriate design, purchase, implementation, and maintenance of all technologies required to efficiently manage and protect the data, information, and records of PERA;

g. Recommend appropriate insurance coverage to protect against liability which arises out of, or in connection with:

I. The performance of duties by any Trustee or employee of PERA; and

II. Business risks faced by PERA.

h. Recommend the location of the main office and any secondary offices to the Board for approval, and ensure the proper maintenance, safety, and adequacy of all of PERA's physical premises; and

i. Implement applicable laws, rules, and court decisions.

Risk Management and Compliance

13. The Chief Executive Officer/Executive Director will:

a. Assist the Board in developing policies to articulate its views on risks and risk management;

b. Manage PERA's risk in alignment with the Board's policies;

c. Ensure a framework of risk management and compliance exists within the organization and it is appropriately functioning; and

d. Ensure PERA compliance with applicable laws and regulations and maintain the tax qualified status of PERA's plans.

Financial and Accounting Practices

14. The Chief Executive Officer/Executive Director will:

a. Account for all payments made and disbursements issued by PERA;

b. Ensure appropriate accounting policies and internal controls are in place to safeguard the assets of PERA;

c. Recommend the Chief Audit Executive's job description, selection criteria, and compensation levels to the Audit Committee for its approval, and in the event of a vacancy, provide a pool of qualified candidates for the Audit Committee's consideration;

d. Support the Audit Committee in its review and approval of the internal audit plan and budget, supervise the Internal Auditor, and recommend to the Audit Committee any disciplinary action or termination; and

e. Compile the *ACFR*, and present it to the Board for approval of its release; ensure the publication of the *ACFR* and submit, as required, to appropriate parties.

Actuarial Practices

15. The Chief Executive Officer/Executive Director will:

a. Advise the Board with respect to the actuarial assumptions and methodologies recommended by the Board's actuaries; and

b. Advise the Board with respect to PERA's Annual Actuarial Valuation Report; submit reports to the Legislative Audit Committee, the Senate Finance Committee, the House Finance Committee, the Pension Review Subcommittee and the Joint Budget Committee of the General Assembly and the Governor of Colorado, together with any recommendations of the Board concerning such liabilities that have accrued.

Human Resources

16. The Chief Executive Officer/Executive Director will:

a. Recommend to the Compensation and Budget Committee a total compensation philosophy statement for PERA and set compensation in alignment with the total compensation philosophy statement for all staff except for the Chief Executive Officer/Executive Director and Chief Audit Executive;

b. Establish appropriate human resource programs and procedures for management and staff, including appropriate compensation, succession, education, training, and development plans;

c. Discuss management succession planning with the Governance Committee at least annually; and

d. Be responsible for selecting, hiring, training, terminating, and disciplining staff, with the following exceptions:

I. The termination of the General Counsel will be reviewed and approved by the Board; and

II. The Chief Audit Executive will be appointed and terminated by the Audit Committee.

Plan Member and Stakeholder Communications

17. The Chief Executive Officer/Executive Director will:

a. Develop and timely implement, through a variety of media, communication strategies for all PERA stakeholders including members, employers, the General Assembly and others.

b. Distribute an annual information report for distribution to all PERA members, also known as the Popular Annual Financial Report (PAFR);

c. Serve as the spokesperson for PERA and, as necessary, coordinate with the Board Chair, or if applicable, the alternate spokesperson designated by the Board Chair; and ensure that written press releases concerning the business of PERA are consistent and accurate with the provisions of *PERA Law* and the policies of the Board, and are made available to the Board in a timely manner.

Appointments

18. The Chief Executive Officer/Executive Director will appoint and may remove all service providers except those appointed by the Board, as listed in the *Board of Trustees' Charter*. The Chief Executive Officer/Executive Director will recommend to the Board, or the designated Board committee, candidates for Board-appointed Service Provider positions.

19. The Chief Executive Officer/Executive Director will ensure all necessary due diligence is performed relating to the selection and monitoring of service providers.

Charter Review and History

20. This charter will be reviewed at least every five years.

21. The Board adopted this charter on November 16, 2001. The Board approved changes to this Charter on February 18, 2005, February 16, 2007, July 1, 2012, January 15, 2016, January 1, 2020, on January 1, 2022, March 15, 2024, and on September 19, 2025. (**Note: The Chief Executive Officer/Executive Director was formerly the Executive Director, change effective November 15, 2024).

Colorado PERA Annual Board Performance (BPE) and Education Survey Timeline

Nov & Dec 2026

- GovCmte receives timeline.
- Mosaic finalizes surveys.

Jan & Feb 2027

- Trustees provide feedback via survey, administered by Mosaic.
- GovCmte leadership reviews and finalizes summary report, drafted by Mosaic.

March 2027

- Mosaic issues report to GovCmte
- GovCmte discusses BPE report, facilitated by Mosaic.

June 2027

- Board receives and approves BPE report.
- Mosaic and staff initiate next steps.

MOSAIC
Governance Advisors

Charter for the Governance Committee

Introduction

1. The Board has established a Governance Committee to assist the board in advancing the best interests of PERA's members and beneficiaries by instituting effective board governance policies and practices that foster transparent and informed decision-making. The Committee will have the duties and responsibilities set out herein.

2. The Governance Committee is a standing committee of the board comprised of the Board Chair, Vice Chair and the chairs of all standing Board committees. The Board Chair will serve as Chair of the Governance Committee.

3. The Governance Committee will meet as necessary as determined by the Committee Chair.

Authority

4. To engage external consultants or advisors as needed to fulfill its responsibilities, subject to approval by the board.

5. Unless otherwise provided in the Governance Manual, all committee actions must be ratified or adopted by the board.

Duties and Responsibilities

6. The Governance Committee will:
   - **a.** Facilitate the evaluation of the performance of the Chief Executive Officer/Executive Director, in accordance with the *Chief Executive Officer/Executive Director Performance Evaluation Policy*; and in connection with the evaluation, make recommendations to the Board on the Chief Executive Officer/Executive Director's compensation consistent with the *Total Compensation Philosophy Statement*;
   - **b.** Oversee the review and implementation of the *Board Performance Evaluation Policy;*
   - **c.** Oversee the monitoring of Board Service Provider performance, in accordance with the Board's *Service Provider Selection Policy*;
   - **d.** Develop and maintain the Governance Manual, and oversee the processes undertaken to review and recommend updates as needed;
   - **e.** Develop an annual meeting work plan to guide the Committee's focus and priorities;
   - **f.** Review and approve meeting minutes; and
   - **g.** Report to the Board on its activities after each meeting.

Charter Review and History

7. This charter will be reviewed at least every five years.

8. The Board adopted this charter on November 16, 2001. The Board approved changes to this Charter on February 18, 2005, July 1, 2012, January 15, 2016, January 1, 2020, January 1, 2022, and on November 17, 2023. (**Note: Governance Committee was formerly the Evaluation Committee, change effective September 22, 2023).

PERA Governance Committee
2027 Workplan (Draft)

A: Action - Action item. Seeking action from the committee so that the item can move to the full board for subsequent approval, as required.
I: Information - Information item. Seeking direction and discussion, no action required.
C: Consent - Routine item. No committee discussion required.

	March 25th	June 24th	November 18th
Performance Evaluation / Oversight	2026 CEO Performance Evaluation (I) 2026 Board Performance Evaluation (I/A) 2026 Board Service Provider Evaluation Process (C/I) Board Election Process and Board Succession Planning (I/A)	2026 CEO Performance Evaluation Approval (I/A) 2026 Board Service Provider Evaluations Results (I/A)	2027 CEO Performance Evaluation Process Overview (I) Set 2028 CEO Performance Evaluation Criteria (I/A) 2027 Board Performance Evaluation Process (C/I)
Policy Review / Development	Succession Planning Policy (A) Biennial Governance Manual Review (I/)	Routine Policy Review/Creation (I) Biennial Governance Manual Compliance Review Report (I/A)	Routine Policy Review/Creation (I) Routine Policy Review/Creation (A)
Routine Governance Items			Annual CEO Charter Review (C/I) Annual Governance Committee Charter Review (C/I) Annual Committee Workplan Development(C/I)

Activities related to periodic significant events will appear on the appropriate year's workplan. For example:
- Every other year, the Committee oversees a compliance review of the Governance Manual.
- Every 5 years, the Committee reviews the Board Performance Evaluation form.
- Every 5 years, the Committee informs/oversees a competitive bid for Board Governance Consultant.
- Comprehensive Committee Charter Review to be conducted at a minimum of every five years.