



SRPS
MARYLAND STATE RETIREMENT
and PENSION SYSTEM

**Maryland State Retirement and Pension System
Board Governance Policy Manual
Board Operations Policy**

Establish the manner in which the Board of Trustees of the system and its committees will conduct themselves so as to allow the Board to carry out its responsibilities as effectively and efficiently as possible, and in accordance with applicable law, including state ethics laws.

POLICY GUIDELINES

Officers

1. The Trustees are required to annually elect from among themselves a Board Chair, a Vice-Chair, and any other officers as may be necessary for the Board to carry out its duties and responsibilities.
2. The Trustees shall elect a Secretary by a majority vote of all Trustees, who may be one of its members or may be the Executive Director. The Secretary shall have those duties set forth in paragraph 4(a) of the charter for the Executive Director.
3. The Trustees shall elect the Board officers by secret ballot. Board officers are to be elected at the last regular meeting held in the fiscal year and shall assume office as of the first regular meeting held after the election. Board officers will serve for a term of one year.
4. The order of elections shall be as follows: Board Chair, Vice-Chair, Secretary, and any other officers as may be established.
5. The procedures for the election of an officer are as follows:
 - a. The Board Chair shall open the floor to the Board for nominations. Trustees may nominate themselves or another Trustee. Nominations must be seconded by another Trustee;
 - b. Trustees who do not expect to attend the meeting may submit nominations in writing to the Board Chair or the Executive Director prior to the Board

meeting at which Board officer elections are scheduled. The Board Chair or the Executive Director will present any written nominations to the Board after the floor is opened for nominations;

- c. Trustees nominated by a fellow Trustee must formally accept the nomination;
- d. Once nominations are closed, the Board Chair will read and confirm the list of nominees. In the event that the Board Chair is a nominee, the Board Chair shall hand over the duty to preside over the elections to the Vice-Chair or to another Trustee who is not a nominee (hereinafter the "Presiding Officer");
- e. Each nominee may address the Board for a maximum of five minutes, in an order to be determined by the Presiding Officer. The time limit will be enforced by the Presiding Officer. A written statement may also be distributed;
- f. With the exception of the Secretary, the election of the officer requires a majority of those Trustees present and voting. The election of the Secretary requires a majority vote of all of the Trustees. If the office remains unfilled after the first ballot, balloting should be repeated as many times as necessary to obtain a majority vote for a single nominee. If the election is not decided by the third ballot, the nominee with the lowest number of votes shall be removed from each successive ballot. This rule shall not apply if it would eliminate all but one nominee from the ballot;
- g. Voting shall be by secret ballot. Ballots shall be submitted to the Chief Internal Auditor for tabulation, the results of which shall be reported to the Presiding Officer;
- h. Notwithstanding subparagraph (g) of this paragraph 4, Trustees participating in the Board meeting by telephone or video conference may submit their votes by a separate telephone call or email to the Chief Internal Auditor. In the event that an election is held at a meeting of the Board where all Trustees attend via electronic means, votes may be submitted to the Chief Internal Auditor using an electronic polling method configured so that all votes are anonymous and only accessible by the Chief Internal Auditor;
- i. Proxy voting is not permitted; and
- j. The outcome of the election shall be announced at the meeting and noted in the Board minutes.

6. Newly elected officers shall assume their respective offices as of the first regular meeting held after the election.
7. In the event that a vacancy or the absence of the Chair, the Vice-Chair shall assume the duties of the Chair. In the event that a vacancy shall occur in the position of Vice-Chair or in the positions of both the Chair and Vice-Chair, for any reason, the Board shall elect a successor for the balance of the unexpired term at its next regular meeting.

Designees

8. The following trustees, serving *ex officio*, may appoint a designee to serve on behalf of the *ex officio* trustee on the Board or its committees:
 - a. The State Treasurer, who may designate a deputy treasurer;
 - b. The State Comptroller, who may designate a deputy comptroller; and
 - c. The Secretary of Budget and Management, who may designate a deputy secretary.

Committees

9. The standing committees of the Board shall be as follows:
 - a. Investment Committee (SPP Article §21-114)
 - b. Compensation and Staffing Committee (SPP Article § 21-122(g))
 - c. Administrative Committee
 - d. Audit Committee
 - e. Corporate Governance and Securities Litigation Committee
 - f. Climate Advisory Panel
10. The Board may also maintain, under the standing committees, standing and/or ad hoc subcommittees.
11. The Investment Committee shall comprise:
 - a. A representative of the Employees' Pension System or the Employees' Retirement System;
 - b. A representative of the Teachers' Pension System or the Teachers' Retirement System;
 - c. A representative of the State Police Retirement System;
 - d. Three representatives from the public appointed by the Board, in accordance with the conditions set out in SPP Article §21-115(b)(2); and

- e. Other additional Board members as recommended by the Chair in consultation with the Vice-Chair and approved by the Board. (SPP Article §21-115)
12. The Compensation and Staffing Committee shall consist of members appointed in accordance with § 21-122(g). The Board Chair shall appoint the chair of the committee, which may not be the Board Chair.
 13. The Administrative Committee shall comprise at least five members.
 14. The Audit Committee shall comprise at least five members.
 15. The Corporate Governance and Securities Litigation Committee shall comprise at least five members.
 16. The Climate Advisory Panel shall comprise at least three outside experts in the analysis of climate risk, in accordance with the Charter for the Climate Advisory Panel. Members shall be identified through a nomination process established by the Executive Director and Chief Investment Officer, or their designees, and appointed by the Board as described in Section 17 of this policy.
 17. The members, chairs and vice-chairs of each standing committee shall be established by Board vote, upon the recommendation of the Board Chair in consultation with the Vice-Chair, at the first regular meeting following the election of officers and as needed throughout the year to fill vacancies and assign newly appointed trustees to committees.
 18. In making committee appointments, the Board and the Chair shall consider continuity in committee membership, opportunities for the diversified experience of trustees, and requisite expertise.
 19. The Board may approve the establishment of ad hoc committees in consultation with the Executive Director and/or the Chief Investment Officer, provided that the responsibilities of the ad hoc committees do not overlap with those of any standing committee. The Chair shall recommend to the Board for its approval the members, the chairs, and vice-chairs of each ad hoc committee.
 20. The Executive Director shall prepare for Board approval a charter for each standing committee that provides a description of the committee's mandate.
 21. The Executive Director shall ensure board committees receive adequate support from staff.

22. In the event that a committee chair is unable to complete his or her term, the committee vice-chair shall complete the term.
23. All actions taken by committees must be approved by the Board at a board meeting unless the committee's charter provides that the committee may take action on specified matters without board approval.

Board Meetings

24. Board meetings shall generally be held monthly, and according to an annual schedule adopted by the board and published in the minutes of the board. Timely notice of board meetings shall be provided to the public, in accordance with the notice provisions of the Open Meetings Act, General Provisions Article ("GP Article") §3-302.
25. The annual schedule may be modified by the Board as necessary, and timely notice of such changes must be provided to trustees and the public in accordance with GP Article §3-302.
26. Special meetings may be called by the Board Chair or by any five trustees by providing reasonable advance notice to each trustee and to the public in accordance with GP Article §3-302. A call for a special meeting must state the business to be considered, and the time, date and place of the meeting.

Committee Meetings

27. Each standing committee shall establish a projected schedule of meetings for the fiscal year. The times and locations of such meetings shall be determined by the committee, and timely notice is to be provided to the public in accordance with GP Article §3-302.
28. A committee chair, in consultation with the Executive Director, may cancel or reschedule a meeting if it is apparent that there will not be a quorum or if it is deemed that there is insufficient business to warrant a meeting. Attempts shall be made to provide all committee members and the public with at least one week's notice of cancellation of any meeting.
29. If neither the committee chair nor vice-chair is present at a committee meeting, the committee members may appoint a presiding officer from among those members present for the meeting.
30. Ad hoc committee meetings shall be scheduled, as needed, by the chairman of the committee in question. Timely notice of the meetings shall be given to the ad hoc committee members, and, if required under the Open Meetings Act, to the public in accordance with GP Article §3-302.

Electronic Meetings

31. Meetings of the Board and Board Committees may be held using electronic technology, such as tele-conferencing or video-conferencing.
32. The State Retirement Agency will acquire suitable technology for purposes of conducting an electronic meeting, and will arrange for alternative methods to conduct an electronic meeting in the event of any technical difficulties or malfunction.
33. All electronic meetings shall be held in full compliance with the Open Meetings Act, General Provisions Article (“GP Article”) §3-302 and all other provisions of the Board Operations Policy.
34. Only the following individuals may participate electronically in a Board or Committee meeting:
 - a. A member of the Board of Trustees or Committee;
 - b. If approved by the Executive Director, an employee of the State Retirement Agency;
 - c. Counsel for the Board of Trustees;
 - d. With respect to an *ex-officio* trustee or the trustee’s authorized designee, not more than one employee of the *ex-officio* trustee’s staff, provided that the *ex-officio* trustee provides advance notice to the Executive Director; and
 - e. If approved by the Executive Director or Board or Committee chair, and to the extent appropriate to facilitate the conduct of a meeting, a representative of a Board consultant, System vendor, or other individual who has business before the Board or Committee.
35. All access codes issued to an electronic meeting participant and needed for participation in an electronic meeting shall be held in strict confidence and may not be shared with anyone who is not authorized to attend meetings via electronic means.
36. A meeting location will be designated in advance for an electronic meeting, and trustees and committee members may attend in person if desired. To the extent practicable, members of the public who wish to attend an open session of a meeting that is being held electronically will be required to attend in person if a

designated meeting location is available. If a public meeting location is not available, the Executive Director will provide notice of an alternative method for public attendance on the Agency's website as soon as is practicable prior to the meeting.

37. The Executive Director, or the Executive Director's designee, shall serve as the electronic "meeting host." The meeting host is responsible for operating the electronic meeting technology at the designated meeting location, and will be responsible for:

- a. activating the electronic meeting technology prior to the call to order;
- b. recording and monitoring both in-person and electronic meeting attendance during an open session;
- c. recording and monitoring both in-person and electronic meeting attendance during a closed session;
- d. advising the Board or Committee chairman regarding the presence of a quorum;
- e. recording all voting on Board or Committee action items; and
- f. deactivating the technology upon adjournment.

38. The electronic meeting technology shall include features necessary for:

- a. The Board or Committee chairman to identify Trustees and Committee members wishing to be recognized to obtain the floor;
- b. Trustees and Committee members to make motions and second motions for Board or Committee actions;
- c. Trustees and Committee members to cast votes on all meeting agenda action items;
- d. The Executive Director to determine that a quorum has been established as the meeting is called to order, continuously monitor attendance at the meeting, and record votes taken on an action item; and
- e. Trustees and Committee members to view presentation materials relevant to the meeting agenda items.

39. Voting by the Board and Committees at an electronic meeting may be done by voice vote. If votes taken by voice vote are not unanimous, a roll call vote shall

be taken by the Executive Director or their designee at the instruction of the Board or Committee chair.

Agendas and Meeting Materials

40. The Executive Director or his or her designee, in cooperation with the Board Chair and respective committee chairs, shall prepare and distribute a written agenda for all regular meetings of the Board and standing committees.
41. To the extent practicable, the agenda and related materials for board and standing committee meetings shall generally be distributed to trustees at least seven calendar days in advance of the meeting. The agenda shall be made available to the public before a meeting in accordance with the Open Meetings Act. Members of the public wishing to obtain copies of the materials may do so to the extent and in the manner the materials are available under the Maryland Public Information Act.
42. Items may be placed on a board meeting agenda, prior to the meeting by:
 - a. The Board Chair;
 - b. The Executive Director;
 - c. Standing or ad hoc committee recommendation;
 - d. Initiation of any trustee, through the Board Chair; or
 - e. A motion of a trustee, subsequently approved by the Board.
43. Items may be placed on a committee meeting agenda prior to the meeting by:
 - a. The committee chair;
 - b. The Executive Director;
 - c. For the Investment Committee or Corporate Governance and Securities Litigation Committees, the Chief Investment Officer;
 - d. Initiation of any member of the committee, through the respective committee chair; or
 - e. A motion of a committee member, subsequently approved by the committee.

Quorum and Voting

44. With respect to board meetings, a majority of the trustees then serving on the Board is a quorum. With respect to committee meetings, a majority of committee members then serving on the committee in question represents a quorum. A quorum is required for:
- a. The transaction of any business;
 - b. The exercise of any power; or
 - c. The performance of any duty authorized or imposed by law. (SPP Article §21-106(b))
45. Each trustee is entitled to one vote on the board. (SPP Article §21-106(a)). Trustees may not vote by proxy, with the exception of an *ex officio* trustee who may appoint a designee.
46. Each committee member is entitled to one vote on the committees on which they serve, but may not vote by proxy, with the exception of an *ex officio* trustee who may appoint a designee.
47. For purposes of achieving a quorum at a committee meeting, a committee chair, with the consent of the Board chair, may substitute a different trustee for an absent trustee prior to the meeting.

Attendance

48. Each trustee shall attend at least 80% of the regularly scheduled board meetings. An excused absence may be granted by any officer of the Board for illness (including a death in the family consistent with COMAR 17.04.11.06), family emergency, jury duty, or attendance at investment or fiduciary training, and such absence shall not be considered an absence for purposes of meeting this requirement. (SPP Article §21-104(e))
49. If a trustee is unable to attend a meeting of the Board or a committee, the trustee shall notify the Executive Director as soon as possible to help ensure that a quorum will be achieved.
50. If personal attendance is impractical, a trustee may attend board or committee meetings virtually.
51. Trustees may attend meetings of committees of the Board as observers, but only committee members may vote on matters before the committee.

Rules of Order

52. Meetings of the Board and all of its committees shall be governed by a modified form of Robert's Rules of Order (see appendix #1).
53. To promote effective and efficient conduct of meetings, the presiding officer and attendees shall conduct meetings consistently with the Board of Trustees' Code of Conduct, with decorum and civility, and in manner that facilitates open and full debate of all matters before the Board or committee.

Closed Session

54. The Board and its committees may conduct business in closed session for the purpose of 1) conducting a function enumerated in GP Article §3-103(a), or 2) considering those matters enumerated in GP Article §3-305(b), and in accordance with the conditions prescribed in GP Article §3-305(c) – (d), which provides that:
 - a. A majority of Board or committee members present must vote in the affirmative to conduct business in closed session;
 - b. Before a public body meets in closed session, the presiding officer shall:
 - i. Conduct a recorded vote on the closing of the session; and
 - ii. Make a written statement of the reason for closing the meeting (which written statement can be included in the written agenda approved by the presiding officer for the meeting), including a citation of the authority under GP Article § 3-103(a) or §3-305, and a listing of the topics to be discussed. The written statement shall be a matter of public record.
 - c. If a person other than a board member objects in writing to the closing of a session, the Board shall send a copy of the written statement to the State Open Meetings Law Compliance Board, in accordance with GP Article §3-305(d)(3).

Public Comment

55. Members of the public may record the meetings in open session, and may videotape, televise, photograph or broadcast open session meetings subject to and in accordance with the requirements set forth in the Board's regulations.
56. To the extent practicable, the Board Chair will provide the public an opportunity to address the Board or standing committee at least quarterly on any item under its

jurisdiction subject to the requirements set forth in the board's regulations. Members of the public wishing to address the Board or a committee shall arrange to do so through the office of the Executive Director at least seven days in advance of the meeting. The duration of any address by a member of the public shall be limited to three minutes. However, the duration of the public comment session for any one meeting shall not exceed 20 minutes. The Board shall not be required to respond to any public comment.

Minutes and Recordings

57. The Secretary or a designee shall prepare the minutes of all board meetings, recording therein the time and place of each meeting, the names of members present, each item considered, and the actions of the board giving the ayes, nays and abstentions upon all votes, except where the action is unanimous, and any other information required under the Open Meetings Act. When requested, a member's statement and/or vote on board actions shall be recorded. If the Board meets in closed session, the minutes for the next open session shall include: (a) a statement of the time, place, and purpose of the closed session, (b) a record of the vote of each member as to closing the session, except where the action is unanimous; (c) a citation to the legal authority for closing the session; and (d) a listing of the topics of discussion, persons present, and each action taken during the session. The Secretary, generally, shall present the minutes for approval at the next regular board meeting.
58. Minutes of committee meetings shall be similarly prepared by the Executive Director or a designee and shall generally be submitted to the committee for approval at its next regular meeting. If a committee is not scheduled to meet for more than two months after a meeting, the Executive Director or a designee shall submit a draft of the minutes to the committee chair, who shall be authorized to review and adopt the minutes on the committee's behalf, subject to ratification by the committee at its next meeting.
59. The minutes as approved by the Board or committee and signed by the Secretary/Executive Director or designee shall serve as the official record of the meeting, and shall be retained, posted on the Agency's website, and open to public inspection in accordance with the Open Meetings Act.
60. To the extent practicable, if live video or audio streaming is provided for a meeting of the Board or a committee, the Executive Director or a designee shall record each portion of the meeting that is held in open session. No recordings shall be made of any portion of a meeting held in closed session. A recording of the open session of a Board or committee meeting shall be retained and open to public inspection in accordance with the Open Meetings Act.

Document Properties

- a. Document Owner: SPRS Board of Trustees
- b. Document Author: SPRS Board of Trustees
- c. Document Appendices: Modified "Robert's Rules of Order"
- d. Summary of Changes:

Date	Summary
December 19, 2003	Adopted.
December 17, 2013	Revised and adopted.
February 21, 2017	Revised and adopted.
May 19, 2020	Revised and adopted.
July 21, 2020	Revised and adopted.
December 15, 2020	Revised and adopted.
February 21, 2023	Revised and adopted.
October 15, 2024	Revised and adopted.
February 17, 2026	Revised and adopted.