

MEMORANDUM

TO: North Carolina Supplemental Retirement Board of Trustees

FROM: Reid Chisholm, Assistant General Counsel

DATE: May 22, 2025

RE: Review of the Governance Policies

The Supplemental Retirement Board of Trustees (Board) adopted a charter and five policies that govern various procedures of the Board and the North Carolina Department of State Treasurer (Department) for fulfilling their duties in administering the NC 401(k) and NC 457 Plans. These six documents are referred to as the "Governance Policies" and are posted under "[Governance Policies](#)" on the Board's web page on www.myNCRetirement.com.

Staff reviews the Governance Policies annually. The Investment Policy Statement is reviewed in the fourth quarter. Staff reviewed the Vendor Selection Policy and the Board Charter for the current meeting. Staff does not propose any changes to the Vendor Selection Policy. Staff proposes only a minor edit to the Board Charter, as shown in the attachment. The edit brings the delegation of the chair's duties for the Audit Subcommittee in line with those for the Board as a whole.

The other three policies mirror their counterparts for the North Carolina Retirement Systems (NCRS), and the Department is in the process of revising these policies jointly for Supplemental Retirement Plans and NCRS. The three policies are the Investment Transaction Disclosure Policy, the Proxy Voting Policy, and the Policy and Procedures for Investment Transactions and Investment Manager Selection. Staff will bring recommendations to the Board regarding these policies later in the year.

Recommendation

Staff recommends the Board approve the revisions to the Board Charter in the attachment to this memo.

ATTACHMENT
Amendment to the Board Charter

VI. Subcommittees

The Board has one standing subcommittee – the Audit Subcommittee. In addition, the Board may appoint ad hoc subcommittees as needed to address specific issues of limited scope. Subcommittees consist of at least three but not more than four Board members. Members and chairs of subcommittees are appointed by the Board Chair and ratified by Board Members. The chair of a subcommittee may delegate his or her duties to another member of the subcommittee or the Department during the chair's absence.