
Minutes

A regular meeting of the Virginia Retirement System Board of Trustees was held on April 23, 2026, in Richmond, Virginia with the following members participating:

Board members:

A. Scott Andrews, Chair
Lawrence A. Bernert III, Vice Chair
John M. Bennett (*attended remotely from Richmond, VA under § 2.2-3708.3(B)(2)*)
J. Clifford Foster, IV
Susan T. Gooden, Ph.D.
Jessica L. Hood
Del. Matthew James
William H. Leighty
Lindsey K. Pantele

VRS Staff:

Patricia Bishop, Andrew Junkin, Jennifer Schreck, Nikolai Abaev, Steven Adelaar, , Rory Badura, Parham Behrooz, Brock Bell, Bennett, Lee Buchanan, JessCaroline Cardwell, Dorothy Chiddo, Michael Cooper, David Cotter, Valerie Disanto, Curtis Doughtie, Kenji Epling, Laurie Fennell, Laura Fields, Kevin Finity, Kenneth Fleming, Josh Fox, Katherine Grawe, JT Grier, Krystal Groff, Rachel Hayes, Honrado, KC Howell, Robert Irving, Sandy Jack, Ross Kasarda, Mengting Kim, LaShaunda KingKoutrakos, Matt Lacy, Daniel Lipok, Chung Ma, Curt Mattson, Liliane Nixon, Walker Noland, Greg Oliff, Angela Payne, Laura Pugliese, Matt Priestas, Katie Ray, Paula Reid, Mark Rein, Gregory Jummai Sarki-Hurd, Dan Schlussler, Jenny Schoeller, Kristy Scott, Michael Scott, Joseph Shaver, Richard Slate, Amethyst Sloane, Virginia Sowers, Larry Tentor, Emily Corey Turner, Dan Whitlock and Steve Woodall.

Guests:

Lauren Albanese, Financial Investment News; Maya Ansbro, Apollo; Joe Ebisa, With Intelligence; Lisa Giaffo, Osmosis; Brett Johnson, PEI Group; Sue Kennedy; Kimberly Sarte, Joint Legislative Audit and Review Commission; Elizabeth Myers, Office of the Attorney General; and Ben Sheng, FireFund.

The meeting convened at 1:05 p.m.

Opening Remarks

Mr. Andrews called the meeting to order and welcomed everyone to the April 23, 2026, meeting of the Virginia Retirement System Board of Trustees. Mr. Andrews acknowledged Mr. Leighty and his return to the Board of Trustees with a warm welcome. Additionally, Mr. Andrews advised the Board that Ms. Hood was recognized earlier in the day by the Office of the Attorney General with an Unsung Hero Award for her advocacy within her community and work as the Director of Outreach & Public Relations for the Wise County and City of Norton Commonwealth Attorney's Office. The Board congratulated Ms. Hood and welcomed Mr. Leighty back to the Board.

Approval of Minutes

Following a motion by Ms. Pantele, with a second by Mr. Foster, the VRS Board of Trustees unanimously approved the minutes from its February 5, 2026, meeting, as well as minutes of the March 17, 2026, and March 18, 2026, annual retreat. Mr. Leighty abstained from voting in this matter.

Committee Assignments

Next, Mr. Andrews advised that, in accordance with the Governance Policy, the Board needed to update its committee assignments.

Following a motion by Dr. Gooden, with a second by Mr. Foster, the Board unanimously approved the proposed committee assignments.

Report of the Investment Advisory Committee

Lawrence Kochard, Chair of the Investment Advisory Committee (IAC), began his report by noting the IAC met on April 8, 2026, and approved the minutes from its November 5, 2025, meeting. The Committee received the Chief Investment Officer's (CIO) report that included an update on the current market.

Following the CIO report, staff provided a presentation on benchmark recommendations, a portfolio diversification update, and the annual program reviews for the public markets team. Lastly, Andrew Junkin, Chief Investment Officer, concluded the meeting by providing an update on the investment team's work toward mitigating investment exposure to those countries which have been designated as foreign adversaries by the Office of the Secretary of Commerce.

Mr. Andrews thanked Mr. Kochard for his report.

Chief Investment Officer

Next, Mr. Junkin provided a market overview and discussed asset allocation, total fund performance and tracking error, concluding that risk measures are within Board-approved levels. Mr. Junkin then discussed the New Investments and Terminations report, the Quarterly Diverse Investment Manager Engagement (DIME) report and the Quarterly External Investment Manager Referral report.

Mr. Junkin gave a presentation of benchmark recommendations. Mr. Junkin began his presentation by reviewing the current investment benchmarks. He then described the characteristics of a good benchmark per the CFA Institute: specified in advance, appropriate, measurable, unambiguous, reflective of current investment opinions, accountable, and investable. Mr. Junkin then discussed the proposed enhancements to Private Equity, Credit Strategies, and Diversifying Strategies program benchmarks that would become effective, if approved by the Board, no sooner than July 1, 2026. Mr. Junkin concluded the proposed changes would allow the Board to more clearly distinguish between allocation outcomes and implementation decisions.

Mr. Andrews thanked Mr. Junkin for his report and presentation.

Independent Consultant Review of Investment Benchmarks and Hurdles

Mr. Junkin introduced Peter Grant and Tom Stephens with Mercer, an independent consulting firm. They presented the results of the Benchmark and Incentive Hurdle Analysis, a study in which Mercer completed a detailed evaluation of the benchmarks and incentive hurdles used by VRS for the Total Fund and underlying asset classes. Mr. Grant and Mr. Stephens stated their analysis indicated the current benchmarks used by VRS are generally suitable though recent data suggests that some changes may be appropriate. They noted their agreement with the proposed changes to the Private Equity, Credit Strategies and Diversifying Strategies benchmarks. In addition, they stated each proposed change was conceptually sound and supported by quantitative evidence. Further, Mr. Grant and Mr. Stephens proposed adjusting the incentive hurdles for Private Equity and the Total Fund due to the proposed change in the Private Equity benchmark. Finally, Mr. Grant and Mr. Stephens proposed an incentive hurdle for Diversifying Strategies.

Mr. Andrews thanked Mr. Grant and Mr. Stephens for their presentation.

Report of the Defined Contribution Plans Advisory Committee

The Defined Contribution Plans Advisory Committee (DCPAC) provided the following report and placed it on file.

APPROVAL OF MINUTES

The Committee approved the minutes of its December 4, 2025, meeting.

ADMINISTRATION

Administrative Report & Communications

Staff provided an overview of the Defined Contribution Plans, as well as an update on administrative reports for the fourth quarter of 2025, which included reviewing assets and accounts across the various plans. Staff advised the Committee that plan assets increased, hitting \$12 billion, and the total number of plan accounts increased as well.

Staff provided an update regarding website access and registrations following the transition to Voya, along with an overview of Voya's annual review, which took place in February. Staff reviewed usage of the unforeseen emergency withdrawal provisions across the COV 457 and Hybrid 457 Plan. Usage was in line with expectations with the primary drivers being medical expenses and prevention of eviction/foreclosure.

Hybrid Plan Update

Staff provided an update on the auto-escalation that occurred in January 2026. Auto-escalation occurs at the plan level every three years. During the opt out window preceding the escalation, 1.3% of the eligible population opted out of the increase and 1.4% made an active election to increase their contribution with the majority of those using active election choosing to maximize their voluntary contributions at 4%.

Leading up to the escalation, there is a variety of communications for both employees and employers to ensure awareness. Following the escalation, staff will monitor the impacted population to track activity and ensure compliance.

ORPHE Update

Staff provided an overview of ORPHE reports for the fourth quarter of 2025, including plan assets and accounts. There is approximately \$1.5 billion in ORPHE assets and a total of approximately 11,000 accounts.

Retirement Income Solutions

Staff provided information related to VRS retirement plans and annuities. Specifically, staff discussed how annuities work generally and specifically operate in retirement plans like VRS. In addition, staff provided information related to DC Plan distributions and the participant behavior over the last years.

INVESTMENTS

Performance Reports

Staff provided the Committee with a review of January 31, 2026, performance reports for the unbundled DC plans, and the TIAA Optional Retirement Plan for Higher Education (ORPHE). Staff informed the Committee that after market close on January 30, 2026, the International Stock Fund transitioned from a MSCI ACWI IMI ex USA Index strategy to a MSCI ACWI IMI ex USA, ex China, ex Hong Kong strategy to align with VRS' Foreign Adversaries Policy. Staff continue to work with stakeholders to explore opportunities for other affected funds to make this transition as new funds come to the DC plans marketplace.

Policy Statements Updates

Staff performed a review of the DC Plans Investment Belief Statements, the Investment Policy Statement for an Unbundled DC Plan Structure and the Investment Policy Statement for a Bundled DC Plan Structure and recommended document updates to incorporate references to VRS' Foreign Adversaries Policy and address other plan needs.

Upon a motion by Delegate James, with a second by Mr. Foster, the VRS Board of Trustees approved the following action:

RBA: Approve Revised Defined Contribution Plans Investment Beliefs Statements

Request for Board Action 2026-04-3: The Board approves the Revised Defined Contribution Plans Investment Belief Statements.

Upon a motion by Delegate James, with a second by Mr. Foster, the VRS Board of Trustees approved the following action:

RBA: Approve Revised Unbundled and Bundled Contribution Plans Investment Policy Statements

Request for Board Action 2026-04-4: The Board approves the Revised Unbundled and Bundled Defined Contribution Plans Investment Policy Statements

OTHER BUSINESS

Legislative Updates

Staff presented the Committee with an overview of the 2026 General Assembly session. At the beginning of the session, there were 28 VRS-specific bills that were being tracked with approximately 50 more that could have an impact on the agency. The only bill remaining of the 28 is bill HB139, which addresses several changes for school boards and their employees, including a purchase of prior service provision that would not change VRS current procedures. The remainder of the bills were unsuccessful.

The committee was informed that Mr. Foster's appointment to the Board was confirmed for a five-year term, with additional board member appointments pending. With respect to the proposed budget, both the House- and the Senate-introduced budgets included salary increases for state employees, teachers and state supported local employees as budget actions, but the budget is not yet final.

Discussion of New Ideas

No new ideas were presented.

2026 MEETINGS

Del. James confirmed the DCPAC meeting dates for 2026:

- May 14, 2026, at 1:00 pm
- September 10, 2026, at 1:00 pm (Annual investment review)
- December 3, 2026, at 1:00 pm
- Board Retreat (not a meeting of the DCPAC): March 17 – 18, 2026

Mr. Andrews thanked Delegate James for his report.

Report of the Audit and Compliance Committee

APPROVAL OF MINUTES

The Committee approved the minutes of its December 11, 2025, meeting.

ANNUAL REPORT ON CODE OF ETHICS

The Chief Operating Officer (COO) and the Regulatory and Legal Officer provided annual reports on their respective processes for communicating VRS' Code of Ethics and Conduct and for monitoring compliance, as required by the Audit and Compliance Committee Charter. Both indicated compliance with the reporting and certification requirements for their respective programs.

Jennifer Schreck, Audit Director, discussed Internal Audit's review of management's representations regarding VRS' Code of Ethics activities for the calendar year ended December 31, 2025, noting nothing came to Internal Audit's attention that indicated they were not appropriately represented.

REVIEW OF COMMITTEE AND INTERNAL AUDIT CHARTERS

Ms. Schreck discussed the results of the periodic review of the Audit and Compliance Committee and internal audit charters.

AUDIT PLAN PROGRESS AS OF DECEMBER 31, 2025

Ms. Schreck next reported on the progress of the fiscal year 2026 annual audit plan as of December 31, 2025, the mid-point of the fiscal year. During her report, the Audit Director acknowledged one project has been shifted to a later period in the long-range plan and one project was added to the current fiscal year plan.

STRATEGIC PLAN PROGRESS AS OF DECEMBER 31, 2025

Ms. Schreck also provided an update on the internal audit strategic plan, noting progress on the initiatives included for each of the strategic plan's goals.

MISCELLANEOUS UPDATES

The committee received the following miscellaneous updates:

Quarterly Report on Fraud, Waste and Abuse Hotline Cases

The Audit Director shared there were no fraud, waste and abuse hotline complaints reported to Internal Audit through the Office of the State Inspector General or any other source during the period of November 1, 2025, through January 31, 2026.

Internal Audit's Review of Cost-of-Living Adjustments

Internal audit noted its review of the proposed "Cost-of-Living Adjustments" as calculated by VRS' actuary, Gabriel, Roeder, Smith & Company, was completed and the results were provided to the Benefits and Actuarial Committee and Board of Trustees at their respective meetings in February 2026.

Management's Quarterly Travel Expenses and Per Diem Reports

The Committee received Management's Quarterly Travel Expenses and Per Diem report.

AUDIT REPORTS

The committee received two audit reports.

- The review of the *Group Life Insurance Program and Related Death Processing Activities* determined the related VRS processes are handled timely, accurately and in accordance with established procedures and guidelines. There were no formal recommendations as a result of this review.
- The Committee went into closed session to receive the report on *Networking and Computing: IT Infrastructure*.

Upon returning to the open meeting, the Committee accepted both reports.

Next Committee Meeting Date

The Committee's next meeting is scheduled for Wednesday, June 9, 2026, at 1:00 p.m.

Mr. Andrews thanked Mr. Foster for his report.

Report of the Administration, Finance and Talent Management Committee

The Administration, Finance and Talent Management Committee met on April 23, 2026, and discussed the following:

APPROVAL OF MINUTES

The Committee approved the minutes of its September 24, 2025, meeting.

REAPPOINTMENT OF INVESTMENT ADVISORY COMMITTEE (IAC) MEMBERS

Andrew Junkin, Chief Investment Officer, informed the committee of three IAC members due for reappointment. Mr. Junkin indicated that William 'Hance' West, Nancy G. Leake and W. Bryan Lewis have been active and engaged participants of the IAC, and each are willing to continue their service on the IAC.

Upon a motion by Mr. Bernert, with a second by Mr. Leighty, the VRS Board of Trustees approved the following action:

RBA: Reappointment of Investment Advisory Committee

Request for Board Action 2026-04-5: The Board reappoints to the Investment Advisory Committee William "Hance" West and Nancy G. Leake, each for a two-year term ending December 31, 2027, and W. Bryan Lewis for a two-year term ending March 31, 2028.

BENCHMARK RECOMMENDATIONS – APRIL 2026

Mr. Junkin gave a presentation of benchmark recommendations. Mr. Junkin began his presentation by reviewing the current investment benchmarks. He then described the characteristics of a good benchmark per the CFA Institute: specified in advance, appropriate, measurable, unambiguous, reflective of current investment opinions, accountable, and investable. Mr. Junkin then discussed the proposed enhancements to Private Equity, Credit Strategies, and Diversifying Strategies program benchmarks that would become effective, if approved by the Board, no sooner than July 1, 2026. Mr. Junkin concluded the proposed changes would allow the Board to more clearly distinguish between allocation outcomes and implementation decisions.

VRS BENCHMARK INCENTIVE HURDLE STUDY 2026

Peter Grant and Tom Stephens with Mercer, an independent consultant, presented the results of the Benchmark and Incentive Hurdle Analysis, a study in which Mercer completed a detailed evaluation of the benchmarks and incentive hurdles used by VRS for the Total Fund and underlying asset classes. Mr.

Grant and Mr. Stephens stated their analysis indicated the current benchmarks used by VRS are generally suitable though recent data suggests that some changes may be appropriate. They noted their agreement with the proposed changes to the Private Equity, Credit Strategies, and Diversifying Strategies benchmarks. In addition, they stated each proposed change was conceptually sound and supported by quantitative evidence. Further, Mr. Grant and Mr. Stephens proposed adjusting the incentive hurdles for Private Equity and the Total Fund due to the proposed change in the Private Equity benchmark. Last, Mr. Grant and Mr. Stephens proposed an incentive hurdle for Diversifying Strategies.

BUDGET UPDATE

Jon Farmer, Budget and Performance Reporting Manager, provided an update on the FY 2026 budget. Mr. Farmer advised the Committee that VRS has a current budget of approximately \$143 million and has expended approximately \$89 million. Mr. Farmer noted that the agency is on track to conclude the fiscal year with an estimated \$10 million in unexpended appropriation.

ONE VIEW PROJECT – APRIL 2026

Dorothy Harmer, Investments Project Manager, provided an overview of the OneView Project. OneView is intended to establish an integrated platform supporting investment risk, leverage, treasury, and data management that will provide capabilities that scale as the portfolio grows in size and complexity. Ms. Harmer then described the objectives, program structure, timeline, budget and project risks and mitigation information to the Committee.

PERFORMANCE COMPENSATION INITIATIVE OVERVIEW

Michael Cooper, Chief Operating Officer, and Paula Reid, Human Resources Director, provided a presentation on a performance compensation initiative for the agency. The agency is working with a consultant to evaluate enhancements to its performance compensation policies. Additional updates will be provided at the May and June committee meetings.

Mr. Andrews concluded his report.

Essential Conditions Education: Opportunities for VRS Trustee Engagement

Jennifer Schreck, Audit Director, gave a presentation to the Board on Audit Standards, the purpose, principles and importance of internal auditing. In summary, an effective internal audit function enables strong corporate governance and the organization's ability to create, protect and sustain value. A collaborative partnership among the Board, Senior Management and Internal Audit is crucial to achieving effective internal auditing. Together, the Board's and Senior Management's efforts to address essential conditions provide the necessary support to the Audit Director and enable effective internal auditing at VRS.

Mr. Andrews thanked Ms. Schreck for her presentation.

Signature Resolution

Trish Bishop, VRS Director, presented an amendment to the Resolution for Payment of Retirement System Funds in the State Treasury and Signing Official Documents to add the Procurement Director. Upon a motion by Ms. Pantele, with a second by Mr. Leighty, the VRS Board of Trustees approved the amendment as presented.

Legislative Update

Next, Sandy Jack, Director of Policy, Planning and Compliance, provided the Board with an update on VRS-related legislation in the 2026 General Assembly session.

Ms. Jack provided an overview of legislation requiring each school board to adopt a policy that requires the school board to approve unpaid educational leave for school board employees who are state employees' association officers and for at least two school board employees who are local employees' association officers for a maximum of four years per officer. The bill permits employee association officers approved for such leave to purchase service credit with the Virginia Retirement System for such period of leave. A substitute was introduced, changing provisions for school boards; however, the bill and substitute codify for school board employees the existing VRS PPS policy regarding unpaid educational leave. (Signed. Chap. 563.)

Ms. Jack provided budget and board appointment updates.

Mr. Andrews thanked Ms. Jack for her presentation.

Report of the Director

Trish Bishop, VRS Director, began her report with a review of the roadmap from the VRS Project Portfolio and New Coverage Elections.

Ms. Bishop then asked that Mr. Badura present an overview of Actuarial Measures and Key Indicators for fiscal year 2026. The overview included a comparison of the actual fund market value versus the expected market value based on plan assumptions for FY 2026, a comparison of pension cash flows for fiscal year 2025 versus 2026, as well as the average increase in CPI year to date. Ms. Bishop also shared that a stress test and sensitivity analysis report will be presented to the Benefits and Actuarial Committee at their June meeting.

Ms. Bishop advised the Board of upcoming committee and board meeting dates. Lastly, Ms. Bishop highlighted an article from the VRS Member News Spotlight that received a lot of attention and reposts featuring Brian Saunders with the Virginia Department of Emergency Management and his work and response during Hurricane Helene in 2024.

Mr. Andrews thanked Ms. Bishop for her report.

Information Technology (Closed Session)

Upon a motion by Mr. Bernert, with a second by Mr. Foster, the Virginia Retirement System Board of Trustees convened a closed meeting under the Virginia Freedom of Information Act for the purpose of discussion of an information technology system or software program where discussion in an open

meeting would jeopardize the security of such information technology system or software program, pursuant to the exemption contained in *Code of Virginia* § 2.2-3711(A)(19).

Upon return to open meeting, Mr. Bernert moved, with a second by Dr. Gooden, the following resolution:

WHEREAS, the Virginia Retirement System Board of Trustees convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, § 2.2-3712 of the *Code of Virginia* requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, the Board certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board.

The Board approved the resolution upon the following roll call vote:

Mr. Bernert: Aye
Mr. Bennett: Aye
Mr. Foster: Aye
Dr. Gooden: Aye
Ms. Hood: Aye
Delegate James: Aye
Mr. Leighty: Aye
Ms. Pantele: Aye
Mr. Andrews: Aye

Adjournment

Following a motion by Mr. Leighty, with a second by Delegate James, the VRS Board of Trustees agreed to adjourn the meeting.

The meeting concluded at 3:16 p.m.



Chair



Secretary

Report

The Defined Contribution Plans Advisory Committee (DCPAC) convened on March 12, 2026, at 1:00 p.m. and took up the following matters:

WELCOME AND INTRODUCTION

Del. James welcomed Committee members, Board members, agency officials, representatives from stakeholder groups, and other members of the public joining in person and through electronic means to the DCPAC.

APPROVAL OF MINUTES

The Committee approved the minutes of its December 4, 2025, meeting.

ADMINISTRATION

Administrative Report & Communications

Staff provided an overview of the Defined Contribution Plans, as well as an update on administrative reports for the fourth quarter of 2025, which included reviewing assets and accounts across the various plans. Staff advised the Committee that plan assets increased, hitting \$12 billion, and the total number of plan accounts increased as well.

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Policy Statements Updates

Staff performed a review of the DC Plans Investment Belief Statements, the Investment Policy Statement for an Unbundled DC Plan Structure and the Investment Policy Statement for a Bundled DC Plan Structure and recommended document updates to incorporate references to VRS' Foreign Adversaries Policy and address other plan needs.

1. *Recommend RBA for Revised Defined Contribution Plans Investment Belief Statements*

The Committee recommended approval of the following action to the Board:

Request for Board Action: The Board approves the Revised Defined Contribution Plans Investment Belief Statements

2. *Recommend RBA for Revised Unbundled and Bundled Defined Contribution Plans Investment Policy Statements*

The Committee recommended approval of the following action to the Board:

Request for Board Action: The Board approves the Revised Unbundled and Bundled Defined Contribution Plans Investment Policy Statements

OTHER BUSINESS

Legislative Updates

Staff presented the Committee with an overview of the 2026 General Assembly session. At the beginning of the session, there were twenty-eight VRS specific bills that were being tracked with approximately 50 more bills that could have an impact on the agency. The only bill remaining of the 28 is bill HB139, which addresses several changes for school boards and their employees, including a purchase of prior service provision that would not change VRS current procedures. The remainder of the bills were unsuccessful.

The committee was informed that Mr. Foster's appointment to the Board was confirmed for a five-year term, with additional board member appointments pending. With respect to the proposed budget, both the House and the Senate introduced budgets included salary increases for state employees, teachers and state supported local employees as budget actions, but the budget is not yet final.

Discussion of New Ideas

No new ideas were presented.

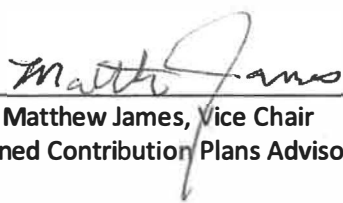
2026 MEETINGS

Del. James confirmed the DCPAC meeting dates for 2026:

- May 14, 2026, at 1:00 pm
- September 10, 2026, at 1:00 pm (Annual investment review)
- December 3, 2026, at 1:00 pm
 - a. Board Retreat (not a meeting of the DCPAC): March 17 – 18, 2026

There was no other business to come before the Committee.

Submitted to the Board of Trustees on April 23, 2026.



Del. Matthew James, Vice Chair
Defined Contribution Plans Advisory Committee

Report

The Audit and Compliance Committee (committee) met on April 23, 2026. Mr. Foster welcomed committee members, board members, agency officials, representatives from stakeholder groups and other members of the public joining in person and through electronic means. The committee discussed the following:

APPROVAL OF MINUTES

The committee approved the minutes of its December 11, 2025, meeting.

ANNUAL REPORT ON CODE OF ETHICS

The chief operating officer and the regulatory and legal officer provided annual reports on their respective processes for communicating VRS' Code of Ethics and Conduct and for monitoring compliance, as required by the Audit and Compliance Committee Charter. Both indicated compliance with the reporting and certification requirements for their respective programs.

The internal audit director discussed Internal Audit's review of management's representations regarding VRS' Code of Ethics activities for the calendar year ended December 31, 2025, noting nothing came to Internal Audit's attention that indicated they were not appropriately represented.

REVIEW OF COMMITTEE AND INTERNAL AUDIT CHARTERS

The internal audit director discussed the results of the periodic review of the Audit and Compliance committee and internal audit charters.

AUDIT PLAN PROGRESS AS OF DECEMBER 31, 2025

The internal audit director reported on the progress on the fiscal year 2026 annual audit plan as of December 31, 2025, the mid-point of the fiscal year. During her report, the internal audit director acknowledged one project has been shifted to a later period in the long-range plan and one project was added to the current fiscal year plan.

STRATEGIC PLAN PROGRESS AS OF DECEMBER 31, 2025

The internal audit director provided an update on the internal audit strategic plan, noting progress on the initiatives included for each of the strategic plan's goals.

MISCELLANEOUS UPDATES

The committee received the following miscellaneous updates:

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The internal audit director shared there were no fraud, waste and abuse hotline complaints reported to Internal Audit through the Office of the State Inspector General or any other source during the period of November 1, 2025, through January 31, 2026.

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Management's Quarterly Travel Expenses and Per Diem Reports

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AUDIT REPORTS

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- The review of the *Group Life Insurance Program and Related Death Processing Activities* determined the related VRS processes are handled timely, accurately and in accordance with established procedures and guidelines. There were no formal recommendations as a result of this review.
- The committee went into closed session to receive the report on *Networking and Computing: IT Infrastructure*.

Upon returning to the open meeting, the committee accepted both reports.

Next Committee Meeting Date

The committee's next meeting is scheduled for Wednesday, June 9, 2026, at 1:00 p.m.

Respectfully submitted to the Board of Trustees on April 23, 2026.



J. Clifford Foster, IV, Committee Vice Chair
Audit and Compliance Committee

Report

The Administration, Finance and Talent Management Committee met on April 23, 2026, and discussed the following:

APPROVAL OF MINUTES

The Committee approved the minutes of its September 24, 2025, meeting.

REAPPOINTMENT OF INVESTMENT ADVISORY COMMITTEE (IAC) MEMBERS

Andrew Junkin, Chief Investment Officer, informed the committee of three IAC members due for reappointment. Mr. Junkin indicated that William ‘Hance’ West, Nancy G. Leake and W. Bryan Lewis have been active and engaged participants of the IAC, and each are willing to continue their service on the IAC.

The Committee recommends approval of the following action to the full Board:

Request for Board Action: *The Board reappoints to the Investment Advisory Committee William “Hance” West and Nancy G. Leake, each for a two-year term ending December 31, 2027, and W. Bryan Lewis for a two-year term ending March 31, 2028.*

BENCHMARK RECOMMENDATIONS – APRIL 2026

Andrew Junkin, Chief Investment Officer, gave a presentation of benchmark recommendations. Mr. Junkin began his presentation by reviewing the current investment benchmarks. He then described the characteristics of a good benchmark per the CFA Institute: specified in advance, appropriate, measurable, unambiguous, reflective of current investment opinions, accountable, and investable. Mr. Junkin then discussed the proposed enhancements to the Private Equity, Credit Strategies, and Diversifying Strategies program benchmarks that would become effective, if approved by the Board, no sooner than July 1, 2026. Mr. Junkin concluded the proposed changes would allow the Board to more clearly distinguish between allocation outcomes and implementation decisions.

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BUDGET UPDATE

Jon Farmer, Budget and Performance Reporting Manager, provided an update on the FY 2026 budget. Mr. Farmer advised the Committee that VRS has a current budget of approximately \$143 million and has expended approximately \$89 million. Mr. Farmer noted that the agency is on track to conclude the fiscal year with an estimated \$10 million in unexpended appropriation.

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Dorothy Harmer, Investments Project Manager, provided an overview of the OneView Project. OneView is intended to establish an integrated platform supporting investment risk, leverage, treasury, and data management that will provide capabilities that scale as the portfolio grows in size and complexity. Ms. Harmer then described the objectives, program structure, timeline, budget, and project risks and mitigation information to the Committee.

PERFORMANCE COMPENSATION INITIATIVE OVERVIEW

Michael Cooper, Chief Operating Officer, and Paula Reid, Human Resources Director, provided a presentation on a performance compensation initiative for the agency. The agency is working with a consultant to evaluate enhancements to its performance compensation policies. Additional updates will be provided at the May and June committee meetings.

Submitted to the Board of Trustees on April 23, 2026.



A. Scott Andrews, Chair
Administration, Finance and Talent Management Committee

RESOLUTION
FOR PAYMENT OF RETIREMENT SYSTEM FUNDS
IN THE STATE TREASURY AND SIGNING OFFICIAL DOCUMENTS

Pursuant to the authority vested in the Board of Trustees of the Virginia Retirement System by *Code of Virginia* § 51.1-149, on this 23rd day of April 2026 it is hereby

RESOLVED, that all prior designations by the Board of Trustees of the Virginia Retirement System of persons authorized to sign vouchers and Voucher Transmittals issued by the Retirement System for the payment of funds of the Retirement System in the State Treasury are hereby revoked; and

BE IT FURTHER RESOLVED, that the State Treasurer, the Director of Operations, and the Director of Cash Management and Investments, or their designees, are hereby designated by the Board as those persons authorized to sign only those vouchers issued by the Retirement System for the payment of funds of the Retirement System in the State Treasury which are contained in Agency Business Unit 15800 Account Number 103607, which has been designated by the Comptroller as the short-term investment account, including but not limited to, funds used to purchase short-term securities to mature within two (2) years and to effect repurchase agreements involving securities of varying maturities which are held as short-term investments; and

BE IT FURTHER RESOLVED, that the Director of the Retirement System, the Chief Financial Officer, the Chief Operating Officer, the Customer Services Director, the Chief Technology and Security Officer, and the Deputy Chief Financial Officer whose signatures appear herein, are hereby designated by the Board as those persons authorized to sign Voucher Transmittals issued by the Retirement System for the payment of any and all funds of the Retirement System in the State Treasury and any and all accounts designated by the Comptroller as Retirement System funds accounts, including Agency Business Unit 15800 Account Number 103607, provided that such Voucher Transmittals shall be initialed by appropriate supervisory and management level staff personnel; and


BE IT FURTHER RESOLVED, that the Chief Financial Officer, the Deputy Chief Financial Officer, the Customer Services Director, and the Chief Technology and Security Officer are not authorized to sign a Voucher Transmittal prepared in their respective department; and

BE IT FURTHER RESOLVED, that the Director of the Retirement System, the Chief Operating Officer, the Chief Investment Officer or the Chief Administrative Officer - Investments are hereby designated full authority to sign any and all official documents in the name of the Board of Trustees of the Virginia Retirement System including, but not limited to, leases, deeds, contracts, equity index futures and options on such futures, signature cards, minutes and purchase orders; and


BE IT FURTHER RESOLVED, that the following persons are hereby designated by the Board as those additional persons authorized to sign any and all purchase orders and contracts in the name of the Board of Trustees of the Virginia Retirement System: (i) the Chief Financial Officer or Deputy Chief Financial Officer, provided that the amount of the transaction does not exceed \$500,000; (ii) the Procurement Director, provided that the amount of ~~the~~ transaction does not exceed \$250,000; and (iii) the General Services Administrator or Senior Procurement Analyst, provided that the amount of the transaction does not exceed \$30,000.

BE IT FURTHER RESOLVED, that a copy of ~~this~~ resolution shall be forwarded immediately to the Office of the Comptroller.

ATTEST:

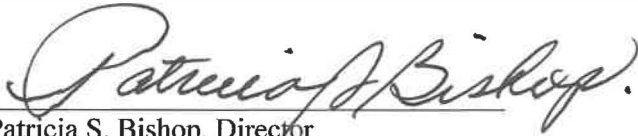


A. Scott Andrews
Chairman, VRS Board of Trustees



Patricia S. Bishop
Secretary to the VRS Board of Trustees

SIGNATURE PAGE
FOR PAYMENT OF RETIREMENT SYSTEM FUNDS
IN THE STATE TREASURY AND SIGNING OFFICIAL DOCUMENTS


Patricia S. Bishop, Director



Mark A. Rein, Chief Technology and Security Officer


Curtis Doughtie, Chief Financial Officer

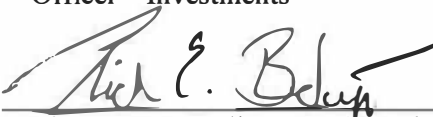

Andrew H. Junkin, Chief Investment Officer


Michael P. Cooper, Chief Operating Officer


Robert L. Irving, Customer Services Director


Curtis M. Mattson, Chief Administrative Officer – Investments


Amanda Nies-Berger, Procurement Director


Richard E. Budaji, General Services Administrator

Deputy Chief Financial Officer (vacant)

Senior Procurement Analyst (vacant)

COMMONWEALTH OF VIRGINIA
CITY OF RICHMOND, TO-WIT:

The foregoing instrument was acknowledged before me this 23rd day of April 2026 by A. Scott Andrews; Patricia S. Bishop; Mark A. Rein; Curtis Doughtie; Andrew H. Junkin; Michael P. Cooper; Robert L. Irving; Curtis M. Mattson; Amanda Nies-Berger; and Richard E. Budaji.


LaShaunda B. King, Notary Public

My commission expires September 30, 2026.

