

**TEACHER RETIREMENT SYSTEM OF TEXAS MEETING
BOARD OF TRUSTEES
AND
GOVERNANCE COMMITTEE**

*All or part of the September 18, 2026, meeting of the TRS Policy Committee and Board of Trustees may be held by telephone or video conference call as authorized under Sections 551.130 and 551.127 of the Texas Government Code. The Board intends to have a quorum and the presiding officer of the meeting physically present at the following location, which will be open to the public during the open portions of the meeting: **4655 Mueller Blvd, 2nd Floor, Boardroom.***

The open portions of the September 18, 2026, meeting are being broadcast over the Internet. Access to the Internet broadcast and agenda materials of the meeting is provided at www.trs.texas.gov. A recording of the meeting will be available at www.trs.texas.gov.

**AGENDA
September 18, 2026 – 9:00 a.m.**

1. Call roll of Committee members.
2. Consent Agenda: Consider the following items that may be taken up by consent without discussion– Committee Chair:
 - A. Approval of the proposed July 2026 committee meeting minutes (*Agenda Item 3*);
 - B. Consider recommending to the Board proposed amendments to the Pension Funding Policy (*Agenda Item 5*);
 - C. Consider amendments to the Policy Review Schedule. (*Agenda Item 7*)
3. Consider the approval of the proposed minutes of the July 2026 committee meeting – Committee Chair. (*Proposed Consent Agenda Item 2A*)
4. Consider recommending to the Board continuation and adoption of the following performance pay plans for the 2026 – 2027 performance period:
 - A. Executive Director’s Performance Pay Plan including the Executive Director's Areas of Focus for Fiscal Year 2027– Shunne Powell; Susan Lemke and Josh Wilson, Marsh, formerly Mercer Consulting; and
 - B. Investment Management Division's and TRICOT’s Performance Pay Plan – Shunne Powell, Katy Hoffman; Susan Lemke and Josh Wilson, Marsh, formerly Mercer Consulting.
5. Consider recommending to the Board proposed amendments to the Pension Funding Policy – Caasi Lamb. (*Proposed Consent Agenda Item 2B*)
6. Consider recommending to the Board proposed amendments to the Bylaws of the Board of Trustees– Heather Traeger and Katherine Farrell.

NOTE: The Board of Trustees (Board) of the Teacher Retirement System of Texas will not consider or act upon any item before the Policy Committee (Committee) at this meeting of the Committee. This meeting is not a regular meeting of the Board. However, because the full Policy Committee constitutes a quorum of the Board, the meeting of the Committee is also being posted as a meeting of the Board out of an abundance of caution.

7. Consider amendments to the Policy Review Schedule – Katherine Farrell. (*Proposed Consent Agenda Item 2C*)
8. Consider authorizing for publication in the Texas Register notice of the following proposed new rule in Chapter 51 of Title 34, Part 3 of the Texas Administrative Code – Heather Traeger:
 - A. [NEW] §51.16. Tuition Reimbursement.
9. Consider authorizing for publication in the Texas Register notice of proposed repeal and amendments in the following chapters of Title 34, Part 3 of the Texas Administrative Code – Heather Traeger and Nick Gonzalez:
 - A. CHAPTER 21. PURPOSE AND SCOPE [REPEAL]
 - B. §21.1. Statement of Policy [REPEAL]
 - C. CHAPTER 25. MEMBERSHIP CREDIT
 - D. Subchapter B. Compensation
 - E. §25.24. Performance Pay [AMEND]
 - F. §25.34 Membership Waiting Period Repeal [REPEAL]
 - G. Subchapter E. Military Service
 - H. §25.66. Application for Military Credit [AMEND]
 - I. Subchapter F. Veteran’s (USERRA) Service Credit
 - J. §25.75. Application for Eligible Active Military Duty under the Uniformed Services Employment and Re-Employment Rights Act [AMEND]
 - K. Subchapter G. Purchase of Credit for Out-of-State Service
 - L. §25.82. Cost [AMEND]
 - M. §25.84. Crediting Fees [REPEAL]
 - N. §25.86 . Computing Average Compensation [REPEAL]
 - O. Subchapter L. Other Special Service Credit
 - P. §25.163 Service Credit Purchase [REPEAL]
 - Q. CHAPTER 27. TERMINATION OF MEMBERSHIP AND REFUNDS
 - R. §27.8 Reinstatement of Membership and Service Credit by ORP Participants [AMEND]
 - S. CHAPTER 29. BENEFITS
 - T. Subchapter E. Deferred Retirement Option Plan
 - U. §29.63. Deadline for Purchase of Special Service Credit [REPEAL]
 - V. CHAPTER 31. EMPLOYMENT AFTER RETIREMENT
 - W. Subchapter A. General Provisions and Procedures
 - X. §31.2. Monthly Certified Statement [AMEND]
 - Y. §31.3. Return-to-Work Employer Pension Surcharge [AMEND]
 - Z. Subchapter B. Employment After Retirement Exception
 - AA. §31.12. Substitute Service [AMEND]
 - BB. §31.13. One-half Time Employment [AMEND]
 - CC. §31.15. Tutors under Education Code § 33.913 [AMEND]
 - DD. §31.16. Federally-funded COVID-19 Personnel [REPEAL]
 - EE. §31.18. Combining EAR Exceptions [AMEND]
 - FF. §31.19. Combining EAR Exceptions and Employer Surcharges [AMEND]
 - GG. CHAPTER 39. PROOF OF AGE [REPEAL]
 - HH. §39.1. Establishment of Date of Birth [REPEAL]

- II. CHAPTER 43. CONTESTED CASES
- JJ. Subchapter A. General Administration
- KK. §43.1. Applicability [AMEND]
- LL. §43.2. Definitions [AMEND]
- MM. §43.3. Filing of Documents [AMEND]
- NN. §43.5. Extensions [AMEND]
- OO. Subchapter B. Requests for Adjudicative Hearing.
- PP. §43.106 Authority to Grant Relief [AMEND]
- QQ. Subchapter C. Hearings Not Docketed at SOAH [REPEAL]
- RR. §43.201. Applicability [REPEAL]
- SS. §43.202. Form of Pleadings [REPEAL]
- TT. §43.203. Filing of Pleadings and Amendments [REPEAL]
- UU. §43.204. Briefs [REPEAL]
- VV. §43.205. Motions [REPEAL]
- WW. §43.206. Discovery [REPEAL]
- XX. §43.207. Notice of Hearing and Other Action [REPEAL]
- YY. §43.208. Agreements to be in Writing [REPEAL]
- ZZ. §43.209. Motion for Consolidation [REPEAL]
- AAA. §43.210. Additional Parties [REPEAL]
- BBB. §43.211. Appearance and Representation [REPEAL]
- CCC. §43.212. Lead Counsel [REPEAL]
- DDD. §43.213. Powers of the Administrative Law Judge [REPEAL]
- EEE. §43.214. Prehearing Conference and Orders [REPEAL]
- FFF. §43.215. Conduct of Hearing [REPEAL]
- GGG. §43.216. General Admissibility [REPEAL]
- HHH. §43.217. Exhibits [REPEAL]
- III. §43.218. Pre filed Direct Testimony in Disability Appeal Proceedings [REPEAL]
- JJJ. §43.219. Limit on Number of Witnesses [REPEAL]
- KKK. §43.220. Failure to Appear [REPEAL]
- LLL. §43.221. Conduct and Decorum at Hearing [REPEAL]
- MMM. §43.222. Official Notice [REPEAL]
- NNN. §43.223. Recording of the Hearing; Certified Language Interpreter [REPEAL]
- OOO. §43.224. Dismissal without Hearing [REPEAL]
- PPP. §43.225. Summary Disposition [REPEAL]
- QQQ. §43.226. The Record [REPEAL]
- RRR. §43.227. Findings of Fact [REPEAL]
- SSS. §43.228. Reopening of Hearing [REPEAL]
- TTT. CHAPTER 47. QUALIFIED DOMESTIC RELATIONS ORDERS
- UUU. §47.16. Effective Date of TRS Review of Orders [REPEAL]