

What are public pension funds?

- ▶ Public pension funds are retirement benefits for public sector employees working for cities, counties, states, or the federal government. They currently have over \$5.6 trillion in assets. After providing years of public service, retired employees will receive monthly benefits from their pension plan. This money is calculated through taking into account their average salary along with how many years they worked. State and local retirement systems provide secure retirement to around 27 million public sector workers and retirees. In many cases, the retiree benefits are negotiated in collective bargaining through labor unions.¹

What are public pension fund boards?

- ▶ Public pension fund boards are responsible for the oversight of the fund through making sure that the board adheres to all state laws and regulations, including federal taxes, financial reporting etc. Public pension fund boards also set investment policies to manage risks and deliver strong financial returns in order to fund the retirement payments long into the future.²

How are board members chosen?

- ▶ Each public pension fund board composition is different. The number of board trustees and their rules vary from fund to fund based on each state's constitutions and other laws. Some members are appointed by government officials such as the state governor, while others are elected by fund participants. Some boards may have a certain number of seats for people in a profession or sector, such as insurance or banking, or representing certain public agencies like the superintendent of schools or the state treasurer.

How do pension funds intersect with private equity?

- ▶ Pension funds provide one third of the investments in private equity. Private equity firms go back to the same pension funds every few years seeking additional investments.³
- ▶ These investments in private equity often harm and displace people from marginalized groups in the areas of healthcare, education, housing, climate, and more.⁴
- ▶ In addition to the harm these investments may cause to people across the country and world, private equity is considered one of the most risky types of investments, and has fee structures that are costly and complex.

How do you view where public pension funds are invested?

- ▶ Pension fund boards discuss their investments during board meetings, where they might inform the public on how investments have performed, or their future investment plans. Most pension funds make available on their website a list of their investments in annual or quarterly reports.

How do you attend a public pension fund board meeting/ contact investors?

- ▶ Most pension fund boards have websites with information about the members of the board, their contact information, and the location and time of their board meetings. Some board meetings are only in person, while some remain in hybrid format (online and in-person). Many pension fund meetings are open to the public, and most of them have an opportunity for public comment. The location, date, and time of board meetings sometimes change, or are difficult to find on the board's website, so it is important to keep track of the information and do continuous research.

ENDNOTES

1. [https://www.nasra.org/files/NASRA Fast Facts 2024 FINAL\(2\).pdf](https://www.nasra.org/files/NASRA_Fast_Facts_2024_FINAL(2).pdf)
2. <https://www.nasra.org/governance>
3. <https://labornotes.org/blogs/2014/08/review-private-equity-pillages-economy>
4. <https://pestakeholder.org/explore-the-issues-list/>