

An aerial photograph of a city skyline at sunset. The sky is filled with warm, orange and red clouds. The city is densely packed with buildings of various heights and styles. A prominent, tall, modern skyscraper with a curved top is the central focus. To the left, a green vertical bar covers part of the image, containing the title and speaker information.

FIDUCIARY COUNSEL REVIEW

Adam Franklin
General Counsel
March 18, 2022

Governance Manual Provisions

- Fiduciary Counsel is a Board-appointed Service Provider.**

- The Board reviews the need to bid for each Board-appointed Service Provider at least every five years.**
 - Most recent fiduciary counsel review performed in 2018
 - The Board retained Tom Krysa (currently at Foley & Lardner, LLP)





Fiduciary Counsel

- ❑ **Responsibilities include:**
 - ❑ Annual Trustee fiduciary training
 - ❑ Independent fiduciary advice to the Board on an as-needed basis

- ❑ **Reports to the PERA Board**
 - ❑ The selected individual will not provide any other legal services to PERA.
 - ❑ The selected law firm may provide other unrelated legal services as necessary.

Process Timeline

- January 2022 - Kick off presentation to the Board regarding Fiduciary Counsel review
- January-February 2022 – Staff conducted search and due diligence on potential candidates
- **March 2022 – Staff makes recommendations to the Board regarding candidate finalists.**
 - **Board may choose to select a fiduciary counsel or to conduct finalist interviews at a later date**
- Potential special Board meeting – Board conducts finalist interviews and selects fiduciary counsel (unless selected previously in March)

Search and Review Process

- Search for candidates was conducted through National Association of Public Pension Attorneys (NAPPA).
- Responding candidates were evaluated based on the following:
 - Expertise in fiduciary counsel work
 - Experience advising public pension funds
 - Experience with public pension funds across the country
 - Fees
 - References

Search and Review Process

- We received 14 responses to the RFI
- A very qualified group of respondents, most of whom we are familiar with through interactions at NAPPA conferences
- Certain respondents were not selected as finalists based on:
 - Not as much fiduciary counsel focus as others
 - Not as much public pension fund expertise
 - Clients and expertise focused in specific states, rather than broadly across the country
 - Higher fees

RFI Respondents

- Cohen Milstein Sellers & Toll, PLLC
- Foley & Lardner, LLP
- Holland & Hart, LLP
- Jackson Walker, LLP
- Jacobs Burns Orlove & Hernandez, LLP
- Klausner Kaufman Jensen & Levinson
- Kutak Rock, LLP
- Morgan Lewis
- Nossaman, LLP
- Olson Remcho, LLP
- Reinhart Boerner Van Deuren
- Seward Kissel, LLP
- Sheppard Mullin
- Williams & Jensen, PLLC

Proposed Finalists

- PERA staff recommends three finalists for Board review ranked in the following order:
 1. Suzanne Dugan, Cohen Milstein Sellers & Toll, PLLC
 - 1a. Christopher Waddell, Olson Remcho, LLP
 - 1b. Thomas Krysa, Foley & Lardner, LLP
- Board may elect to conduct finalist interviews or select a final winning candidate at this time.

Proposed Finalists

Suzanne Dugan

Special Counsel

Cohen Milstein Sellers &
Toll, PLLC

- National firm with over 100 attorneys.
- Ms. Dugan leads and helped found the firm's Ethics & Fiduciary Counseling practice.
- Ms. Dugan has 30 years gov't ethics experience: acted as Special Counsel for Ethics for the Office of the New York State Comptroller and was counsel to and acting director of the New York State Ethics Commission.
- Fiduciary counsel clients include public pension funds across the country.
- Excellent personal experience with Ms. Dugan and excellent references.

Proposed Finalists

Christopher Waddell

Senior Counsel

Olson Remcho, LLP

- Small California-based firm with 19 attorneys.
- Mr. Waddell heads the firm's Public Retirement Law practice. Provides advice and training on fiduciary law issues.
- Mr. Waddell was former General Counsel for CalSTRS and San Diego City Employees' Retirement System (SDCERS).
- Provides fiduciary counsel to multiple public pension funds, however, most public pension funds clients located in California.
- Excellent personal experience with Mr. Waddell and excellent references.

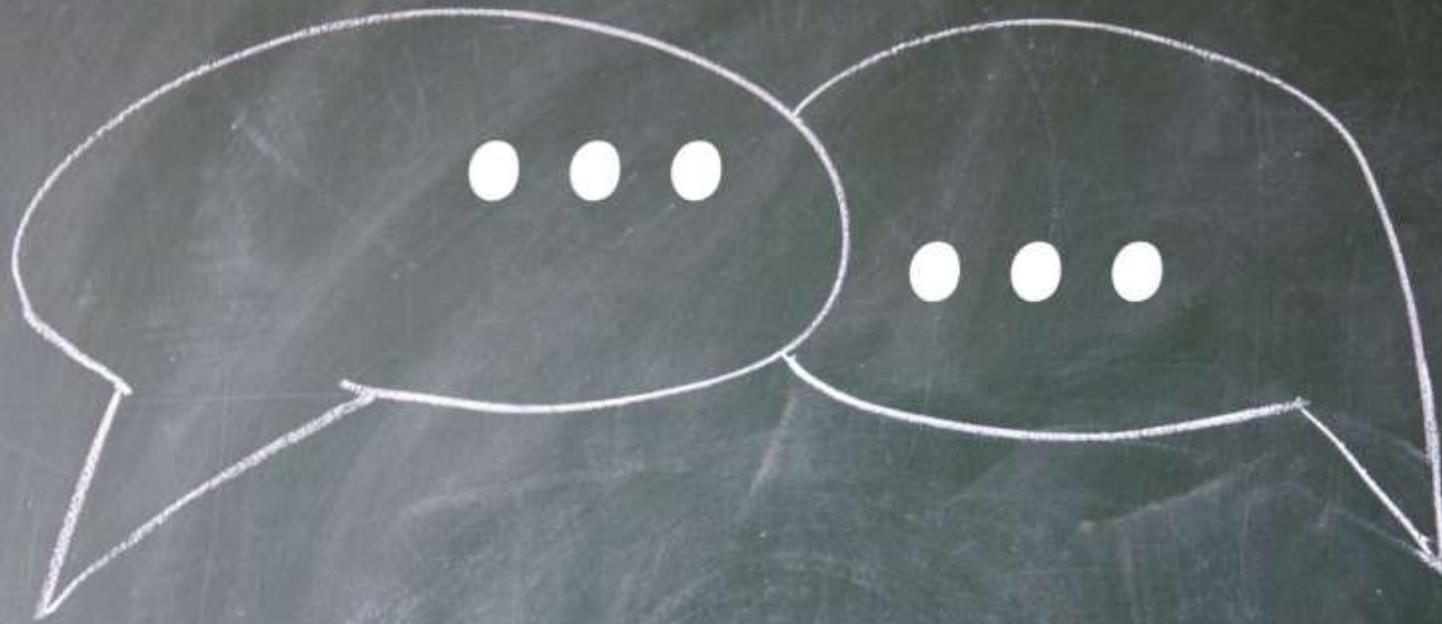
Proposed Finalists

Thomas Krysa

Partner

Foley & Lardner, LLP

- Large national firm with over 1,100 attorneys. Has a Denver office.
- Mr. Krysa has served as outside fiduciary counsel to the Colorado PERA Board since 2018.
- Mr. Krysa is a former SEC senior officer and trial lawyer. Represents clients in matters involving state and federal regulators. Conducts internal investigations for companies, audit boards, and boards of directors.
- Does not have a wide fiduciary practice and does not focus his practice on serving public pension fund clients.
- Mr. Krysa has served this Board well and has received good reviews from the Board and staff.



Questions?