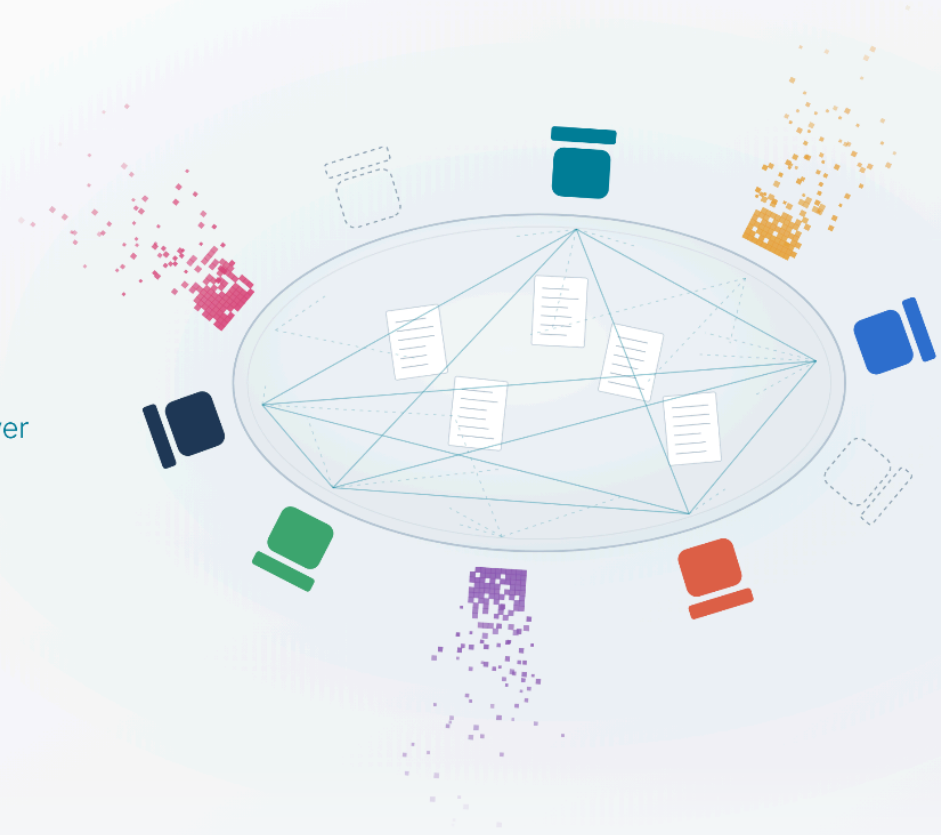
Funston
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# Are you losing your memory?

## Mitigating inevitable board turnover



> Board turnover is chronic, predictable and most acute around elections. Boards can't control who leaves or when, but they can control how much knowledge and decision quality leave.

InGov® Governance Intelligence and Insights

November 2026

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INTRODUCTION

# Board turnover is chronic, predictable and most acute around elections.

However, when trustees leave, the skills honed by trustees' hard work and the knowledge of why decisions were made may leave with them. Although it takes trustees years to master fiduciary and investment matters, continual board churn, and election and appointment cycles can push priorities in sudden new directions. Thin documentation makes board memory fragile, especially since minutes record what was decided but rarely why. This raises fiduciary risk and leaves the board without a baseline for judging whether its governance is getting better or remembering why it arrived at a given decision.

With frequent turnover, boards tend to repeat past mistakes, drift away from long-term commitments, and revisit policies whose reasoning has been lost. They also come to rely more on staff and consultants, which weakens the board's independent oversight and its willingness to challenge recommendations.

Turnover is a natural part of the lifecycle of the board, which raises the question how can boards and their organizations better prepare for the inevitable? The strategies below are meant to help protect institutional memory, so boards can maintain policy continuity even as their composition changes.

> Boards can't control who leaves or when but they can control how much knowledge and decision quality leave. The goal is resilience, not low turnover.

EIGHT STRATEGIES

## What boards can do

1. Shorten the learning curve
2. Keep the reasoning behind decisions, not just the votes
3. Protect leadership continuity
4. Anticipate the expected and the unexpected
5. Plan with the election cycle in mind
6. Build stability around the board without diluting its responsibility
7. Pursue structural fixes where the board has a voice (such as longer, staggered terms)
8. Measure it

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OUR RESEARCH

# Key findings

Our study of statewide public pension systems[1] found that, between 2015 and 2025, the typical U.S. public retirement board lost 83% of its trustees.[2] For each board, we examined trustee years of service,[3] board chair and committee chair tenure, term lengths, seat expiration schedules, ex officio and designee arrangements, and annual turnover rates.[4]

| 23% | 2.7 yrs | 34% | 26% |
|---|---|---|---|
| trustees with under two years' service (FY2025) | average time board chairs serve | boards with more than a third of seats expiring in a single year by 2030 | systems that stagger board terms (21 of 82) |

- **The median board replaces 14% of its trustees each year. For a seven-person board, that is one trustee a year (71 boards, FY2016–25).** The 25$^{th}$ percentile rate is 10.3% and the 75$^{th}$ is 16.7%.
- **As of fiscal year 2025, 23% of trustees** had under two years' service,[5] so a large share of each board is still learning the role.
- **Board chairs serve 2.7 years on average** (93 boards, FY2015–25), so leadership changes frequently.
- **By 2030, 12 of 35 boards** will have more than a third of their seats expire in a single year.
- **Ex officio trustees are stretched thin:** in 23 of 82 systems, the same official sits on two or more boards at once. A stable, prepared designee matters.
- **Turnover spikes when a new governor takes office:** 20% of appointed and 50% of ex officio trustees leave, against 12% and 13% in other years (71 boards, FY2016–25).
- **Only 21 of 82 systems stagger board terms** in statute, code or board policy.

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STRATEGIES

# How to succeed amid board churn

## 01 Shorten the learning curve

> In FY2025, 23% of trustees had under two years' service

In our experience, a new trustee needs about two years to get up to speed, a third of the roughly six years the typical trustee from our sample serves. This is a critical period within which, however, 19% of trustees leave.[6]

- **Provide a briefing book on key policy decisions.** For example: why the current asset allocation was adopted, what the funding policy assumes, and which commitments run for 10+ years. New trustees inherit decisions they didn't make. Without the reasoning behind them, they tend to reopen those decisions or just defer to staff.
- **Structured onboarding with a timeline.** A series of fiduciary and governance orientations. Set out a clear path from Day 1 to Day 365. Recognize the accomplishment.
- **A mentor for every new trustee.** Pair them with an experienced trustee for their first year. This is inexpensive and works well.
- **A rolling education calendar** keyed to the board's own decision cycle (asset-liability study, actuarial experience study, investment policy review). Generic conference credits don't do this.

## 02 Keep the reasoning behind decisions, not just the votes

- **Write down standing positions** (risk appetite, beliefs about private markets, liquidity needs) in a short investment beliefs statement that each new board affirms or amends deliberately.
- **Keep a decision and rationale log** for major actions: the options considered, the pros and cons, the reasons for the choice, the assumptions, and when to revisit.
- **Set a policy review calendar** so reviews happen on schedule, not in response to new membership.

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## 03 Protect leadership continuity

> Chairs served 2.7 years on average, FY2015–25

- **A deliberate officer pipeline,** such as vice-chair to chair, with overlap. It should not fall automatically to whoever has served longest.
- **Committee chairs who carry continuity through years of heavy board change.** Stagger committee chair terms so the board chair and the key committee chairs don't all change in the same year.
- **Clear designee rules for ex officio seats:** a named, consistent designee with real authority, continuity expectations and the same education requirements. A rotating stand-in is effectively a new trustee at every meeting.

## 04 Prepare for the expected (and the unexpected)

> By 2030, 12 of 35 boards will have more than a third of their seats expire in a single year

Much of a board's turnover is scheduled. Of the 35 boards whose annual reports print trustees' term end dates, 12 will have more than a third of their seats expire in a single year by 2030, and at 4 of them, half or more expire together.[7] Other departures come without warning, through a resignation, a retirement or a change of governor. The same planning prepares a board for both.

- **Maintain a five-year term-expiry calendar** and report it to the board annually.
- **Engage appointing authorities and member constituencies early.** Send governors, legislative leaders and election administrators a skills profile and a recruitment brief 6–12 months before seats expire. Appointment decisions stay with the appointing authorities, but the board can help shape who arrives.
- **Use a skills matrix** to show which expertise leaves with each expiring seat, so the brief asks for specific competencies.
- **Plan holdovers.** Where statute allows trustees to serve until a successor is seated, plan for it rather than treating it as an accident.

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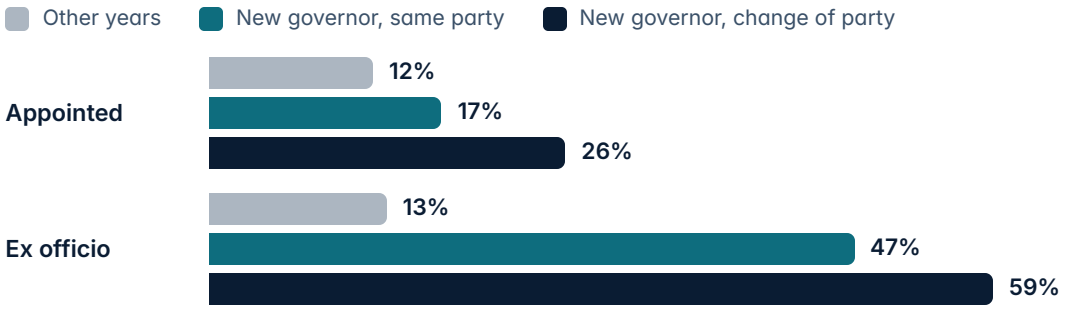
## 05 Plan with the election cycle in mind

Turnover spikes in the year a new governor takes office

In years a new governor takes office, 20% of appointed trustees[8] and 50% of ex officio trustees leave, against 12% and 13% in other years. A change of party brings a larger spike: 26% of appointed and 59% of ex officio trustees leave. But the spike holds even when the new governor is from the same party: 17% and 47%.

**Share of trustees who leave in a year**

By seat type, comparing years with and without a new governor (71 boards, FY2016–25)




All new-governor years combined: 20% of appointed and 50% of ex officio trustees leave.

- **Watch for a change of governor.** Add each governor election to the term-expiry calendar, and treat a mid-term succession the same way.
- **Brief the incoming administration.** Send the transition team the board's skills profile and a short briefing before inauguration, when appointments are being decided.
- **Prepare the ex officio handover.** Keep a standing briefing package for new officials, and ask each one early whether they will use a designee and, if so, to name one who will stay.
- **Time major decisions around transitions.** Where possible, avoid scheduling an asset allocation or funding policy vote in the months right after a new administration takes office.

## 06 Build stability around the board without diluting its responsibility

- **Staff continuity** in the executive director, CIO and general counsel roles is the strongest shock absorber for board churn. Invest in their succession plans. We discuss executive, organizational and vendor turnover in a forthcoming article.
- **A clear delegation framework,** written down and reviewed, so authority doesn't drift to staff or consultants by default when the board is inexperienced. Delegation clarifies who does what, but responsibility stays with the board.

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- **Advisory members or an expert investment committee** can help retain expertise across board cycles.
- **A stable consultant relationship,** with continuity as an explicit selection criterion and a defined transition protocol when a consultant does change.

## 07 Pursue structural fixes where the board has a voice

> Only 21 of 82 systems stagger board terms

The board can't legislate, but it can make an evidence-based case to those who do:

- **Staggered terms.** Only 21 of 82 systems have staggered terms written into statute, code or board policy.
- **Expertise qualifications** for appointed seats.
- **Limited designee rotation.**

## 08 Measure it

Make turnover risk a standing item on the board's own dashboard:

| | | |
|---|---|---|
| 01 Annual turnover rate | 02 Seats expiring in the next 12 months | 03 Share of trustees with under two years' service |
| 04 Years of board experience per seat | 05 Onboarding completion | 06 Chair and committee-chair continuity |

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CONCLUSION

# Turnover is structural and recurring

Turnover on these boards is structural and recurring: in FY2025, 23% of trustees had under two years' service; chairs served 2.7 years on average over FY2015–25; and by 2030, 12 of 35 boards will have more than a third of their seats expire in a single year.

The mitigations above work together to limit how much leaves with departing trustees. They shorten the learning curve, keep the reasoning behind decisions, protect leadership continuity, and prepare the board for both scheduled departures and sudden ones.

Most of these steps cost little; what they require is deliberate, sustained attention. That is why turnover risk belongs on the board's own dashboard and in front of the board every year.

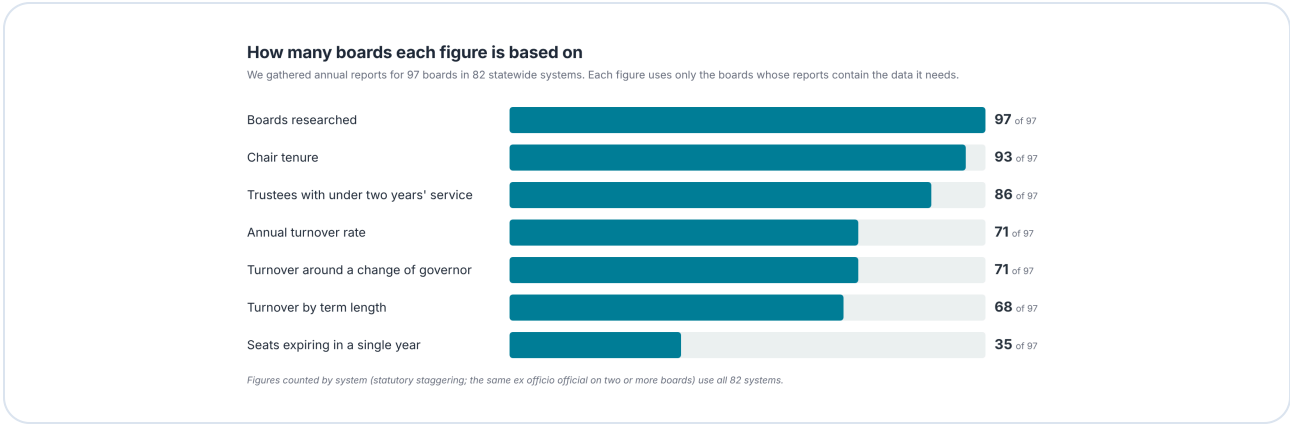
> A board that does this becomes resilient to turnover rather than unrealistically assuming low turnover.

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METHODOLOGY

# How we built the data

We gathered annual reports for 97 boards in 82 statewide public pension systems. Not every report contains the same data, so each figure uses only the boards whose reports contained what was needed to construct the statistic. Most gaps have one of two causes: some years' reports are missing, or the reports do not publish a particular detail.




Why some boards are missing from each figure:

- **Chair tenure (93 boards).** Four boards' reports do not name the chair.
- **Trustees with under two years' service (86 boards).** The other 11 boards have no FY2025 annual report.
- **Annual turnover rate (71 boards).** Twenty-six boards are missing at least one year of reports in the 10-year period.
- **Trustees gone over a decade (71 boards).** The same boards as the annual turnover rate.
- **Seats expiring in a single year (35 boards).** The other 62 boards' reports do not print trustees' term end dates.

## NOTES

1. In our study of 82 state-level retirement systems and investment boards, 71 had the data necessary to construct board turnover rates for our 10-year sample period.
2. Share of each board's fiscal year 2015 trustees no longer on its fiscal year 2025 roster. Median across the 71 boards with a roster for every year. This is higher than a constant 14% annual rate would imply (about 78%) because departures follow fixed term schedules rather than occurring at random.
3. Trustees are counted from each annual report's roster, dated by the roster's as-of date or, where it has none, the date of the report's letter of transmittal. A trustee joins on the first roster that lists them and leaves on the first roster that no longer does.
4. Eighteen of the 71 boards for which board turnover statistics were possible to construct for the full sample period were restructured during the period. The figures include these changes. Turnover is tracked by individual trustee.
5. Share of trustees on each board's fiscal year 2025 roster who first appear on its 2024 or 2025 roster. Median across the 86 boards with a fiscal year 2025 roster.
6. Based on the 1,157 trustees who joined a board in the sample from FY2016 on.
7. For each board, we counted the terms ending in each calendar year from the roster date onward; the peak years fall between 2025 and 2030. Shares are of all trustees listed. Ex officio seats and trustees whose term end is not printed are counted as not expiring, holdovers whose terms had already ended are not counted as expiring, and vacant seats are excluded.
8. Appointed seats are those filled by appointment, whoever appoints them, not only those the governor fills.

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