



## **MINUTES**

**Meeting of the Administration Committee  
(Benefits, Finance & Personnel)  
of the Board of Trustees of the  
State Universities Retirement System  
9:20 a.m., Friday, September 19, 2014  
State Universities Retirement System  
1901 Fox Drive, Main Conference Room  
Champaign, Illinois 61820**

The following Trustees were present: Mr. Antonio Vasquez; Chair, Ms. Lindsay Anderson, Ms. Jacqueline Berger, Dr. John Engstrom, Mr. Richard Figueroa, Mr. Paul R. T. Johnson Jr., Mr. Andrew Matthews, Trustee Craig McCrohon, Trustee Dorinda Miller, Mr. Peter Newell, and Mr. Mitchell Vogel .

Others present: Mr. William Mabe, Executive Director; Mr. Michael Weinstein, General Counsel; Mr. Daniel Allen, Chief Investment Officer; Ms. Phyllis Walker, Chief Financial Officer; Mr. Steve Hayward, Director of Internal Audit; Mr. Albert Lee, Associate General Counsel; Ms. Angela Lieb, Director of Member Services; Mr. Chris Hansen, Director of Operations; Mr. Douglas Steele, Director of Application Development/Research; Ms. Suzanne Mayer, Interim Director of Outreach; Ms. Brenda Dunn, Director of Human Resources; Ms. Lori Kern, Executive Assistant; Ms. Mary Pat Burns of Burke, Burns & Pinelli; Ms. Renaye Manley of Service Employees International Union, and Ms. Jessica Gilbert and Mr. Clif Carey of Ratio Architects.

Administration Committee roll call attendance was taken. Trustee Berger, present; Trustee Engstrom, present; Trustee Figueroa, present; Trustee Matthews, present; Trustee Miller, present; Trustee Newell, present; Trustee Vasquez, present.

## **APPROVAL OF MINUTES**

Trustee Antonio Vasquez presented the Minutes from the Administration Committee meeting of June 12, 2014 and Trustee Richard Figueroa moved that:

- The Minutes from the June 12, 2014 Administration Committee Meeting be approved as presented.

Trustee John Engstrom seconded and the motion carried with all Trustees present voting in favor.

Trustee Vasquez then presented the closed session Minutes from the Administration Committee meeting of June 12, 2014 and Trustee Engstrom moved that:

- The closed session minutes from June 12, 2014, Administration Committee meeting be approved and remained closed.

Trustee Dorinda Miller seconded and the motion carried with all Trustees present voting in favor.

### **CHAIRPERSON'S REPORT**

Trustee Vasquez stated that there is no Chairperson Report at this time.

### **SURS SPACE NEEDS ANALYSIS**

Mr. Mabe noted that over the years with increased growth in staff, SURS is now faced with the challenge of finding space for staff. Consideration has been given to adding an addition on to the current building, purchasing additional space in the building to the north of SURS or selling this building and relocating. Mr. Mabe has asked Mr. Chris Hansen, Director of Operations to take a closer look at the options by conducting a Space Needs Analysis and he reported that over the next several meetings snapshots of some of the options will be outlined before the Board.

Mr. Hansen then introduced Ms. Jessica Gilbert and Mr. Clif Carey of Ratio Architects, who outlined their recommendations to create more space within the current SURS building. Those recommendations include remodeling the building to be attractive to future workers, being proactive rather than reactive to space needs and creating smaller offices and work stations to promote a collaborative work environment. Ms. Gilbert stated that she met with SURS executive staff to get their input on future growth, privacy, security and other possible concerns. Ms. Gilbert presented layouts to the Committee and noted that with future growth predictions, the high quality of building materials used in the building, and the fact that the building has been well maintained; SURS needs approximately 36,000 square feet to house all employees. The current SURS building is 38,000 square feet so there is room to work with. Keeping that in mind, she noted that the plan that they presented also takes into consideration SURS growth over the next ten years.

Mr. Hansen summarized some of the changes discussed by the architects and the potential costs associated with a project of this magnitude. Mr. Hansen stated that a more in-depth presentation of SURS building options and costs would be presented at the March 2015 Board meeting for consideration in the next budget year.

A copy of the Mr. Hansen's Space Needs Analysis and the proposed Space Needs Study developed by RATIO are incorporated as a part of these minutes as [Exhibit 1](#) and [Exhibit 2](#).

## **SURS INCLUSION GOAL AND POLICY**

Mr. Mabe discussed the diversity initiative and noted that SURS needs to look at this program in total by looking at investment managers, vendors, and staff. Mr. Mabe has asked Mr. Allen, Ms. Dunn and Ms. Walker to develop a diversity plan for the System. Ms. Walker provided a brief overview of the history of the SURS Inclusion policy which establishes guidelines for the inclusion of minority, women or disabled-owned businesses in SURS procurement process. Ms. Walker noted that this policy is reviewed annually and a procurement goal is brought before the Board for approval. Ms. Walker reviewed the previous fiscal year's goal and advised that although the stated goal was not met, she recommends the goal be maintained at 25%. Ms. Walker advised that staff will continue to pursue increased opportunities in order to attain the stated goal.

A copy of Ms. Walker's Memo entitled "Recommendation of SURS Inclusion Goal for Fiscal Year 2015," and the SURS Inclusion Policy dated 08/30/13 are incorporated as part of these Minutes as [Exhibit 3](#) and [Exhibit 4](#).

Trustee Vogel moved:

- That the SURS goal for contract and purchases from businesses owned by minorities, women and persons with a disability be 25% for the Fiscal Year 2015.

Trustee Figueroa seconded and the motions carried with all Trustees present voting in favor.

## **SUCCESSION PLANNING**

Trustee Vasquez noted that in light of the conversation and the fact that the Committee will be discussing employee performance and succession planning; the discussion should take place in closed session. Trustee Johnson moved that the Committee go into closed session under the Open Meetings Act to discuss employee matters, pursuant to §2(c)(1). Trustee Matthews seconded and the motion carried in a roll call vote:

Trustee Berger	-	Aye
Trustee Engstrom	-	Aye
Trustee Figueroa	-	Aye
Trustee Matthews	-	Aye
Trustee Miller	-	Aye
Trustee Newell	-	Aye
Trustee Vasquez	-	Aye

## **CLOSED SESSION**

## **RETURN TO OPEN SESSION**

Upon motion by Trustee Engstrom that was seconded by Trustee Miller and carried, the Administration Committee resumed its meeting in open session.

Trustee Johnson moved:

- To establish a Subcommittee of the Board that consists of Trustee Anderson, Trustee Engstrom, and Trustee Johnson to assist in selection of an Executive Search Firm.

Trustee Vasquez seconded and the motion carried with all Trustees present voting in favor.

Trustee Vogel moved:

- That an RFP for an Executive Search Firm be approved.

Trustee Miller seconded and the motion carried with all Trustees present voting in favor.

### **PUBLIC COMMENT**

There were no public comments presented to the Administration Committee.

Since there was no further business before the Committee, Trustee Vogel moved that the meeting be adjourned. The motion was seconded by Trustee Miller and carried with all Trustees present voting in favor.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "William E. Mabe".

Mr. William E. Mabe  
Secretary, Board of Trustees

WEM:lk