



## **MINUTES**

**Meeting of the Board Governance Committee  
of the Board of Trustees of the  
State Universities Retirement System  
11:30 a.m., March 21, 2014  
State Universities Retirement System  
1901 Fox Drive  
Champaign, IL 61821**

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

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; Mr. Jeff Houch and Mr. Steve Zahn, Legislative Liaisons; Ms. Beth Spencer, Communications Manager; Ms. Angela Lieb, Director of Member Services; Ms. Pamela Butler, Director of Outreach; Mr. Chris Hansen, Director of Operations; Mr. Doug Steele, Director of Application Development/Research; Ms. Brenda Dunn, Director of Human Resources; Ms. Lori Kern and Ms. Karen Hipskind, Executive Assistants; Ms. Mary Pat Burns of Burke, Burns & Pinelli; and Ms. Patti Summerville of Northern Trust.

Board Governance Committee roll call attendance was taken. Trustee Anderson, present; Trustee Engstrom, present; Trustee McCrohon, present; Trustee Vasquez, present; Trustee Vogel, absent.

## **APPROVAL OF MINUTES**

Trustee Lindsay Anderson presented the Minutes from the Board Governance Committee meeting of February 6, 2014. Trustee Craig McCrohon moved that:

- The Minutes from the February 6, 2014 Board Governance Committee meeting be approved, as presented.

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

## **CHAIRPERSON'S REPORT**

Trustee Anderson indicated that there is no Chairperson report at this time.

## **BOARD ADMINISTRATION**

### **Committee Structure & Assignments/Subcommittees**

Mr. Mabe reported that since the February meeting he has continued to further develop and fine tune the Suggested Committee Structures. Mr. Mabe briefly described the revised committee/subcommittee structures and asked the group to take a close look at these proposed structures. He specifically made reference to the Investment Subcommittee section and asked the Trustees to review and consider ways in which to expand in this area. He then referred to the “Board Skills Matrix” noting that this can be used as a way to identify the required knowledge and skills needed within the various committees and to ascertain areas for potential educational opportunities.

Discussion regarding both the current and future committee assignments followed and Mr. Mabe asked the Trustees to consider expanding the number of committee members on the Administration and Audit & Risk Committees, as presented. These committees will assume greater responsibilities under the new proposed structure and by incorporating more members on the committees; it would provide the opportunity for more Trustees to be involved. Mr. Mabe also commented on the Board Annual Agenda and Educational/Self Development Calendar noting that the overall idea of this process is to build out the committees, calendar and board educational plan in order to establish a comprehensive board governance structure moving forward.

Mr. Mabe asked that all Trustees look over the information presented and provide feedback to him regarding the proposed committee structure, and their future committee interests/preferences before the April meeting. At this time, the goal is to move forward with the new structure at June 2014 meeting.

Although an action item was noted on the Agenda, the committee felt that it is important to allow all Trustees sufficient time to review the proposed information and provide feedback to Mr. Mabe prior to any decisions are made. Therefore, the action was deferred until the April meeting.

Copies of Mr. Mabe’s memorandum entitled “Board Governance Committee,” the Board Governance document entitled “Board Governance Suggested Committee Structure, 2<sup>nd</sup> Reading (DRAFT),” the “2015 SURS Board of Trustees DRAFT Annual Agenda,” and the “Board Annual Education Calendar/Self Development,” are incorporated as a part of these Minutes as [Exhibit 1](#), [Exhibit 2](#), [Exhibit 3](#), and [Exhibit 4](#).

## **ADVISORY COMMITTEES**

At the February meeting, Mr. Mabe brought to the committee’s attention the delegated duties of the current SURS advisory groups. After further review and discussion, Mr. Mabe feels that given the lack of documentation found in regards to this topic, the Board needs to clarify the record and any ambiguities regarding these advisory groups. Mr. Mabe recommends that

the Board delegate the Executive Director the authority to solicit input from these various stakeholder advisory groups and revoke any prior delegation of duties to the SURS Board of Trustees. Mr. Mabe noted that he has discussed this with the committee chair of SURSMAC and he agrees with Mr. Mabe's recommendation.

Trustee Johnson moved:

- That the Board revokes any prior delegation of duties to stakeholder groups and directs the Executive Director to develop the necessary process to ensure stakeholder input is secured regarding matters that affect stakeholder's collective interest and advise the Board of those concerns.

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

A copy of William E. Mabe's memorandum entitled "Advisory Committees" is incorporated as part of these Minutes as [Exhibit 5](#).

### **PUBLIC COMMENT**

There were no public comments presented to the Board Governance Committee.

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

Respectfully submitted,



Mr. William E. Mabe  
Secretary, Board of Trustees

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