



MINUTES

**Meeting of the Board of Trustees of the
State Universities Retirement System
4:30.m., Thursday, October 30, 2014
The Northern Trust
50 South LaSalle Street, Global Conference Center
Chicago, Illinois 60603**

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

Others present: Mr. William Mabe, Executive Director; Mr. Daniel Allen, Chief Investment Officer; Ms. Brenda Dunn, Director of Human Resources; Ms. Lori Kern, Executive Assistant, and Ms. Mary Pat Burns of Burke, Burns & Pinelli.

Board of Trustees roll call attendance was taken. Trustee Anderson, present; Trustee Berger, present; Trustee Engstrom, present; Trustee Figueroa, absent; Trustee Johnson, present; Trustee Matthews, absent; Trustee McCrohon, present; Trustee Miller, present; Trustee Vasquez, present; Trustee Vogel, absent.

REVIEW OF COMMITTEE ACTION

On behalf of the Board, Trustee Paul Johnson moved in the form of a consent Agenda:

Administration Committee

1. That the proposed state contribution to the State Universities Retirement System for Fiscal Year 2016 be certified in the amount of \$1,601,480,000.
2. That the required state contribution to the Community College Health Insurance Security Fund for Fiscal Year 2016 be certified in the amount of \$4,624,625.
3. That the long-term assumed rate of investment return of 7.25% for the Money Purchase Factors (annuitization rate under Rule 2) effective date be extended to January 4, 2016, in order to allow dissemination of information regarding the change in factors and allow a prudent and meaningful period of time for consideration by members.

Investment Committee

4. That Mondrian Investment Partners be retained as a global equity manager.
5. That Wellington Management be retained as a global equity manager.
6. That Calamos Advisors be retained as a global equity manager.
7. That T. Rowe Price be retained as a global equity manager.
8. That Ativo Capital Management be retained as an International Equity Manager, and be funded an additional \$25 million.

9. That GlobeFlex Capital be retained as an International Equity Manager.
10. That Herndon Capital Management be retained as an International Equity Manager.
11. That Strategic Global Advisors be retained as an International Equity Manager, and be funded an additional \$60 million.
12. That BlackRock be retained as a Structured International Equity Manager.
13. That Pyramis be retained as a Structured International Equity Manager.
14. That Martin Currie be terminated as an International Equity Manager.
15. That a commitment of \$125 million be authorized, contingent on successful contract negotiations, to the Pantheon Global Select 2014, L.P., including the default allocation to secondaries and co-investments.

Trustee Antonio Vasquez seconded and the Administration and Investment Committee motions carried with all Trustees voting in favor.

Corporate Governance

On behalf of the Corporate Governance Committee, Trustee Mitch Vogel moved:

- That SURS participate as a co-filer with the New York City Pension Funds on 2014 shareholder proposals requesting disclosure of EEO-1 reporting by American Express Company, The Charles Schwab Corporation and Omnicom Group Inc., provided that staff is supportive of the wording of the final proposal consistent with the Board's direction during the discussion.

After Trustee Antonio Vasquez seconded the motion, further discussion was requested and the motion was carried by a roll call vote:

Trustee Anderson	– yes
Trustee Berger	– no
Trustee Engstrom	– no
Trustee Figueroa	– absent
Trustee Johnson	– yes
Trustee Matthews	– absent
Trustee McCrohon	– abstain
Trustee Miller	– yes
Trustee Newell	– no
Trustee Vasquez	– yes
Trustee Vogel	– yes

Executive Director Search Subcommittee

Trustee Anderson noted that action was not taken at this time and that the subcommittee will reconvene at a later date after due notice.

BOARD TRAVEL

Mr. Daniel Allen presented the Board with travel and conference opportunities for the Board's review and approval. He reported that pursuant to Public Act 96-0006, the Trustees are required to have 8 hours of annual training. A majority of the Board must approve all Board travel in order to qualify for reimbursement of expenses in accordance with the Board's Travel Approval

and Expense Reimbursement Policy. Staff develops a list of upcoming training opportunities and this list is then presented to the Trustees with their regular meeting materials.

Mr. Allen noted that if educational opportunities arise that the Board has not approved, please contact Ms. Lori Kern and she could provide the proper form and procedure for obtaining Board approval outside of the quarterly meeting. Staff noted that approval must be obtained prior to travel occurring.

Trustee Tony Vasquez moved:

- That the Board of Trustees travel to attend conferences or trainings listed in the October 2014 Board Training Requirement and Travel memo be approved and that all resulting allowable expenses consistent with SURS' travel policy be reimbursed.
- That the Board of Trustees travel to NEPC client and educational conferences be approved and that all resulting allowable expenses be reimbursed.

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

A copy of the staff memorandum, entitled "Board Training Requirements and Travel Approval" which includes the list of upcoming training opportunities as of October 2014 are incorporated as a part of these Minutes as [Exhibit 1](#).

INFORMATIONAL ITEMS NOT REQUIRING COMMITTEE ACTION

Trustee Anderson made referenced the information item included in the agenda materials and the following item was provided for reference and incorporated as a part of these Minutes:

1. [Exhibit 2](#) - State Universities Monthly Financial Statements for June 30, 2014 (Final)

PUBLIC COMMENT

There were no public comments presented to the Board of Trustees.

Since there was no further business before the Committee, Trustee McCrohon 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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