



MINUTES

**Closed Meeting of the Governmental Affairs Committee
of the Board of Trustees of the
State Universities Retirement System
12:00 p.m., Thursday, February 6, 2014
Chicago Board Options Exchange
400 South LaSalle Street, The Options Institute
Chicago, Illinois 60605**

Upon motion by Trustee Andrew Matthews, seconded by Trustee Lindsay Anderson and a unanimous roll call vote, the Governmental Affairs Committee went into closed session under the Open Meetings Act to consider pending, probable or imminent litigation pursuant to §2(c)(11).

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

Others present: Mr. William Mabe, Executive Director; Mr. Michael Weinstein, General Counsel; Mr. Daniel Allen, Chief Investment Officer; Mr. Albert Lee, Associate General Counsel; Ms. Marilyn Branson, Investment Governance and Compliance Officer; Ms. Karen Hipskind, Executive Assistant; Ms. Mary Pat Burns of Burke, Burns & Pinelli.

Discussion was held regarding the possibility of requesting a stay of execution given that the pension reform legislation, Public Act 98-599, is currently being challenged in the courts. Consideration was given to the ramifications of such a request as well as the fiduciary responsibilities of the trustees. Ms. Mary Pat Burns advised that the trustees have a duty to administer the plan and to be concerned with funding but they do not have a duty to advocate. That being so, Ms. Burns suggested that the trustees wait to find out what will transpire and not take a position for or against a stay at this time.

Concern was also raised regarding the provision of Public Act 98-598 that requires the Illinois Attorney General to represent the SURS Board and the potential that exists for an inherent conflict of interest. Ms. Burns confirmed that the Attorney General could be asked to arrange or allow a special counsel in the event of an actual conflict of interest, and consideration was given to this alternative. After further discussion, Ms. Burns and Mr. Michael Weinstein advised that the matter could be referred to the Executive Committee to

determine a course of action in terms of SURS' position relative to a stay should developments occur prior to the next Board meeting.

RETURN TO OPEN SESSION

Upon motion by Trustee Paul R. T. Johnson that was seconded by Trustee Lindsay Anderson and carried, the Governmental Affairs Committee resumed its meeting in open session.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "William E. Mabe". The signature is written in a cursive style with a large, looping initial "W".

Mr. William E. Mabe
Secretary, Board of Trustees

WEM:mb