



## **MINUTES**

**Meeting of the Corporate Governance Committee  
of the Board of Trustees of the  
State Universities Retirement System  
1:30 p.m., Thursday, June 12, 2014  
The Northern Trust  
50 South LaSalle, London Room B9  
Chicago, Illinois 60603**

The following Trustees were present: Ms. Lindsay Anderson, Ms. Jacqueline Berger, Dr. John Engstrom, Mr. Richard Figueroa, 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; Mr. Douglas Wesley, Deputy Chief Investment Officer; Ms. Kimberly Pollitt and Mr. Joseph Duncan, Senior Investment Officers; Ms. Lou Ann Fillingham, Investment Officer; Ms. Marilyn Branson, Investment Governance and Compliance Officer; Ms. Phyllis Walker, Chief Financial Officer; Mr. Steve Hayward, Director of Internal Audit; Ms. Angela Lieb, Director of Member Services; Ms. Brenda Dunn, Director of Human Resources; Ms. Lori Kern and Ms. Karen Hipskind, Executive Assistants; Ms. Mary Pat Burns of Burke, Burns & Pinelli; Mr. Douglas Moseley, Ms. Kristin Finney-Cooke and Mr. Kevin Leonard of NEPC; Ms. Patti Somerville-Koulouris of the Northern Trust Company; Ms. Leslie Thompson and Ms. Amy Williams of Gabriel Roeder Smith & Company; Ms. Ruth Ann Eledge of Segal Waters Consulting; and Mr. Rogier Slingerland of CEM Benchmarking.

Corporate Governance Committee roll call attendance was taken. Trustee Berger, present; Trustee Johnson, absent; Trustee Vogel, absent.

Trustee Paul R.T. Johnson re-entered the room immediately following roll call and the meeting commenced. Trustee Jacqueline Berger served as Chair since Trustee Mitchell Vogel could not be present.

## **APPROVAL OF MINUTES**

Trustee Berger presented the Minutes from the Corporate Governance Committee meeting of March 20, 2014. Trustee Lindsay Anderson moved that:

- The Minutes from the March 20, 2014 Corporate Governance Committee Meeting be approved as presented.

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

### **CHAIRPERSON'S REPORT**

Trustee Berger extended regards and regrets on behalf of Trustee Vogel who was not able to attend the meeting.

### **GOVERNANCE UPDATE**

Ms. Marilyn Branson presented the Board with an update of governance news and activity since the March 20, 2014, Corporate Governance meeting, noting that Harvard University Endowment Fund has announced its decision to become a signatory to the Principles for Responsible Investment (PRI). Ms. Branson remarked that the decision is considered significant as it may serve as a model for other universities to consider and perhaps follow suit.

Ms. Branson then provided the Committee with a brief update on governance developments that have recently occurred abroad in Canada, Japan and Brazil.

Ms. Branson reported that she attended the Council of Institutional Investors (CII) Spring Conference last month in Washington, DC, along with Mr. Daniel Allen and Trustees Vogel and Johnson. Ms. Branson remarked on the speakers that were heard and also noted that an amendment to CII's corporate governance policies was approved at the meeting which discourages companies from imposing restrictions that would serve to limit the pool of potential board candidates.

A copy of staff memorandum, entitled "Governance Update," and the "Appendix 6 – Amend CII Policy on Board Candidacy Restrictions" are incorporated as part of these Minutes as [Exhibit 1](#).

At the request of Trustee Vogel, Ms. Branson distributed flash drives circulated at the CII meeting which contain many of the educational booklets and reports that CII has produced. Trustee Vogel also requested that SURS provide a list of the CII teleconference recordings which are available on the CII website and moving forward, this list will be updated and provided to the Trustees on a regular basis.

A copy of the list, entitled "Council of Institutional Investors Recordings," is incorporated as a part of these Minutes as [Exhibit 2](#).

Ms. Branson informed the Committee that CII's Fall conference is scheduled to convene on September 29-October 1, 2014, in Los Angeles, CA, and the annual due diligence meeting

with SURS' proxy voting service provider is scheduled for July 16, 2014, at the Marco Consulting Group's offices in downtown Chicago.

### **ANNUAL REVIEW OF THE COUNCIL OF INSTITUTIONAL INVESTORS**

Ms. Branson presented the annual review of the CII and she advised that the organization has set a goal for the upcoming year to host more frequent teleconferences on current issues, which will be downloaded to the CII website for members to listen at their leisure.

A copy of Ms. Branson's complete review, entitled "Council of Institutional Investors (CII) Annual Review," is incorporated as a part of these Minutes as [Exhibit 3](#).

### **INFORMATIONAL ITEMS NOT REQUIRING COMMITTEE ACTION**

The following items were provided for reference and are incorporated as a part of these Minutes:

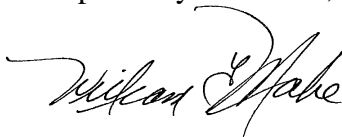
1. [Exhibit 4](#) - Staff memorandum entitled "SURS Proxy Vote Summary Report."
2. [Exhibit 5](#) - Marco Consulting Group's Proxy Vote Summary Report for First Quarter 2014.
3. [Exhibit 6](#) - Fiscal Year 2014/2015 Work Plan – Corporate Governance Committee Schedule.

### **PUBLIC COMMENT**

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

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

Respectfully submitted,



Mr. William E. Mabe  
Secretary, Board of Trustees

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