



MINUTES

**Trustee Educational Forum
of the Board of Trustees of the
State Universities Retirement System
9:00 a.m., Friday, February 7, 2014
Chicago Board Options Exchange
400 South LaSalle Street, The Options Institute
Chicago, Illinois 60605**

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

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; Mr. Albert Lee, Associate General Counsel; Mr. Jeffrey Houch, Legislative Liaison; Ms. Karen Hipskind, Executive Assistant; Ms. Mary Pat Burns of Burke, Burns & Pinelli; Mr. Douglas Moseley and Ms. Kristin Finney-Cooke of NEPC; Ms. Patti Somerville-Koulouris and Ms. Cristina Ilyes of the Northern Trust Company; Mr. Matt Moran of the Chicago Board Options Exchange; Ms Lari Dierks of Speaker Michael Madigan's staff.

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

Trustee Andrew Matthews joined the meeting immediately after the roll call.

The Trustee Educational Forum commenced at 9:05 a.m.

Mr. Daniel Allen introduced the day's program, remarking that the fund achieved an investment return of 17.0% for calendar year 2013, 11.2% for the fiscal year as of December 31, 2013, and 5.5% for the quarter ended December 31, 2013, net of investment management fees.

The following speakers provided educational presentations to the trustees regarding board governance and investment topics:

- Fiduciary and Governance Training – Ms. Jeanna Cullins of Hewitt EnnisKnupp

Trustee Antonio Vasquez arrived at the meeting during the above presentation at 9:35 a.m.

- Practical Guidance For Implementing Fiduciary And Governance Principles – Ms. Mary Pat Burns of Burke, Burns and Pinelli
- Endowment Investment Strategies – Mr. Will McLean of Northwestern University
- Asset Allocation Discussion – Mr. Douglas Moseley and Ms. Kristin Finney-Cooke of NEPC

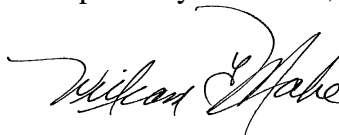
Trustee Lindsay Anderson departed the meeting at the beginning of the above presentation at 1:15 p.m.

At the end of the presentations, discussion was held regarding the use of re-ups for private market investments versus new manager searches due to the time constraints that often exist for entry. Ms. Burns advised that legislation has been clarified so that follow-on investments are allowed without the necessity to issue a request for proposal (RFP). Mr. Moseley recommended consideration of re-ups with current managers to close out the private equity plan now in place and he added that thought could be given to coordinating the cycle for reevaluating the role of current managers with that of the new private equity plan at the June meeting. Since closings for investments with Adams Street Partners and Macquarie are approaching, the possibility of considering these at the March meeting was discussed. Consensus formed that re-ups can be utilized and Trustee Craig McCrohon recommended that staff develop a schedule for re-up investments. Best practices related to the frequency of manager reevaluations were also discussed. It was agreed to invite Adams Street Partners and Macquarie to the March meeting and to move up the meeting start time to 9 a.m.

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

The Trustee Educational Forum lasted for 5 hours and 35 minutes, concluding at 2:40 p.m.

Respectfully submitted,



Mr. William E. Mabe
Secretary, Board of Trustees

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