



CLOSED SESSION MINUTES

Meeting of the Investment Committee of the Board of Trustees of the State Universities Retirement System Thursday, June 4, 2020, 9:00 a.m.

Via remote access only due to COVID-19 statewide restrictions

Upon motion by Trustee Vogel, seconded by Trustee Rock, and a unanimous roll call vote, the Investment Committee went into closed session pursuant to §2(c)(7) of the Open Meetings Act.

The following trustees were present: Mr. John Atkinson, Mr. Richard Figueroa, Ms. Jamie-Clare Flaherty, Dr. Fred Giertz, Mr. Scott Hendrie, Dr. Steven Rock, Mr. Collin Van Meter, Mr. Antonio Vasquez and Mr. Mitch Vogel.

Others present: Mr. Martin Noven, Executive Director; Mr. Doug Wesley, Chief Investment Officer (CIO); Ms. Ellen Hung, Deputy CIO; Ms. Kimberly Pollitt, Mr. Joe Duncan and Mr. Shane Willoughby, Senior Investment Officers; Mr. Alex Ramos and Mr. Brian DeLorica, Investment Officers; Ms. Kelly Valle and Mr. Akshay Patel, Investment Analysts; Ms. Bianca Green, General Counsel; Ms. Jackie Hohn, Chief Internal Auditor; Ms. Kristen Houch, Head of Legislative Affairs; Ms. Kelly Carson, Ms. Chelsea McCarty and Ms. Annette Ackerman, Executive Assistants; Mr. Neil Rue, Mr. Colin Bebee, Mr. David Sancewich, Ms. Ghiane Jones, Ms. Mary Bates, Mr. David Hetzer and Mr. Tad Fergusson of Meketa; Ms. Sara Gal, Mr. Avery Robinson and Ms. Jan Mende of Callan; and Mr. Mike Krems and Ms. Heidi Poon of Aksia.

Investment Committee roll call attendance was taken. Trustee Vasquez, Chair, present; Trustee Ammons, absent; Trustee Figueroa, present; Trustee Giertz, present; Trustee Rock, present and Trustee Van Meter, present.

CONSIDERATION OF INVESTMENT OPPORTUNITY

Mr. Joe Duncan provided a background as to why SURS staff and Meketa are seeking approval to invest with PIMCO DiSCO III. This fund structure emphasizes senior and or resilient credits with attractive risk-adjusted return profiles and would be a complementary extension of the multi-sector credit portfolio currently managed by PIMCO. Ms. Mary Bates continued by stating the fund will focus exclusively on public credit and will not invest in corporate distressed or other potentially longer dated opportunities. Ms. Bates also highlighted some of the risks and leverage regarding the DiSCO III fund.

A presentation was made by representatives of the following firm under consideration for an allocation.

- PIMCO – Mr. Mike Chandra, Mr. Jason Mandinach and Mr. Jamie Weinstein.

CONSIDERATION OF REAL ESTATE COMMITMENT

Mr. Shane Willoughby provided a background of the Non-Traditional Growth recommendation and stated that SURS staff and Callan are recommending a commitment of up to \$50 million to Longpoint Realty Partners Fund II. Mr. Willoughby also discussed the SURS investment beliefs and pacing plan. Ms. Sara Gal provided a more in-depth background on the fund.

A presentation was made by representatives of the following firm under consideration for an allocation.

- Longpoint Realty Partners – Mr. Nilesh Bubna and Mr. Dwight Angelini.

CONSIDERATION OF GLOBAL EQUITY MANAGERS

Mr. Alex Ramos provided background on the global equity manager search and information regarding each firm under consideration.

A presentation was made by representatives of the following firms under consideration for an allocation.

- Ariel Investments – Mr. Malik Murray and Ms. Rupal Bhansali.
- GQG Partners – Ms. Meredith Richardson and Mr. Brian Kersmanc.

Following the interviews, a lengthy discussion occurred regarding all of the firms being considered including diversity information, fees, and allocation amounts.

APPROVAL OF TRADITIONAL GROWTH AND CRO STRUCTURE

Mr. Sancewich of Meketa provided a recap from prior meetings where the board approved high-level policy changes to restructure the Traditional Growth class. Mr. Sancewich presented the new class structure and the allocation amount associated with each.

RESUME TO OPEN SESSION

Upon a motion by Trustee Vogel, seconded by Trustee Van Meter, the motion carried, and the Investment Committee resumed its meeting in open session.

Respectfully submitted,



Mr. Martin Noven
Secretary, Board of Trustees

MMN:kc