



## **MINUTES**

**Meeting of the Board of Trustees  
of the State Universities Retirement System  
Thursday, February 2, 2023, 4:10 p.m.  
State Universities Retirement System  
Via remote access due to ongoing COVID-19 concerns**

The meeting on February 2, 2023, was conducted via video conference pursuant to the Governor's COVID-19 Executive Order dated January 6, 2023, and subsection (e) of Section 7 of the Illinois Open Meetings Act. Chair John Atkinson of the SURS Board of Trustees determined that a full, in-person meeting was not practical nor prudent due to the ongoing COVID-19 disaster concerns.

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

Others present: Ms. Suzanne Mayer, Executive Director; Mr. Douglas Wesley, Chief Investment Officer (CIO); Ms. Tara Myers, Chief Financial Officer; Ms. Bianca Green, General Counsel; Ms. Heather Kimmons, Associate Legal Counsel; Ms. Kelly Valle, Investments Officer; Ms. Kristen Houch, Director of Legislative and Stakeholder Relations; Ms. Alicia Route, Legislative Analyst; Ms. Nichole Hemming, Chief Human Resources Officer; Mr. Albert Lee, Associate General Counsel; Ms. Jackie Hohn, Chief Internal Auditor; Mr. Jefferey Saiger, Chief Technology Officer; Ms. Kelly Carson and Ms. Chelsea McCarty, Executive Assistants; and Mr. Michael Calabrese of Foley.

Board of trustees roll call attendance was taken. Trustee Atkinson, present; Trustee Bodnaruk, present; Trustee Figueroa, present; Trustee Flaherty, absent; Trustee Giertz, absent; Trustee Hendrie, present; Trustee Lyons, absent; Trustee Rock, present; Trustee Van Meter, present; Trustee Vasquez, present; and Trustee Vogel, present.

Trustee Giertz joined the meeting via zoom at 4:20 p.m.

## **APPROVAL OF MINUTES**

Trustee Atkinson presented the minutes from the board of trustees meeting of December 9, 2022.

Trustee Rock made the following motion:

- That the minutes from the December 9, 2022 SURS Board of Trustees meeting be approved as presented.

Trustee Figueroa seconded the motion which passed via the following roll call vote:

Trustee Atkinson	-	aye
Trustee Bodnaruk	-	aye
Trustee Figueroa	-	aye
Trustee Flaherty	-	absent
Trustee Giertz	-	absent
Trustee Hendrie	-	aye
Trustee Lyons	-	absent
Trustee Rock	-	aye
Trustee Van Meter	-	aye
Trustee Vasquez	-	aye
Trustee Vogel	-	aye

### **APPROVAL OF CLOSED MINUTES**

Trustee Atkinson presented the closed minutes from the board of trustees meeting of December 9, 2022.

Trustee Rock made the following motion:

- That the minutes from the December 9, 2022 Board of Trustees meeting be approved as presented and remain closed.

Trustee Hendrie seconded the motion which passed via the following roll call vote:

Trustee Atkinson	-	aye
Trustee Bodnaruk	-	aye
Trustee Figueroa	-	aye
Trustee Flaherty	-	absent
Trustee Giertz	-	absent
Trustee Hendrie	-	aye
Trustee Lyons	-	absent
Trustee Rock	-	aye
Trustee Van Meter	-	aye
Trustee Vasquez	-	aye
Trustee Vogel	-	aye

### **CHAIRPERSON'S REPORT**

Trustee Atkinson briefly mentioned details regarding the 2024 budget recommendation approved by the Illinois Board of Higher Education.

### **EXECUTIVE DIRECTOR'S REPORT**

Ms. Suzanne Mayer did not have a formal Executive Director's report.

## **BOARD TRAVEL**

Ms. Mayer presented the upcoming list of travel opportunities for the board's consideration.

Trustee Vogel made the following motion:

- That the SURS Board of Trustees travel to attend conferences or trainings listed on the February 2023 list of Upcoming Training Opportunities be approved and that all resulting allowable expenses consistent with SURS travel policy be reimbursed.

Trustee Rock seconded the motion which passed via the following roll call vote:

Trustee Atkinson	-	aye
Trustee Bodnaruk	-	aye
Trustee Figueroa	-	aye
Trustee Flaherty	-	absent
Trustee Giertz	-	absent
Trustee Hendrie	-	aye
Trustee Lyons	-	absent
Trustee Rock	-	aye
Trustee Van Meter	-	aye
Trustee Vasquez	-	aye
Trustee Vogel	-	aye

Copies of the SURS memorandums titled "Board Training Requirements and Travel Approval" and "Upcoming Training Opportunities" are incorporated in these minutes as [Exhibit 1](#) and [Exhibit 2](#).

## **REPORT OF INVESTMENT COMMITTEE ACTION**

Trustee Hendrie reported on the specific action items taken by the Investment Committee during the February 2, 2023 Investment Committee meeting. These items are referenced in greater detail in the Investment Committee meeting minutes of February 2, 2023.

## **SAFE HARBOR DISCUSSION**

Mr. Albert Lee provided background regarding how and when Tier II and the SURS Defined Benefit plan were signed into law under Public Act 96-0889 on April 14, 2010. Tier II applies to new SURS-covered employees who were hired on or after January 1, 2011. He discussed some of the key changes involved in Tier II and broadly addressed SURS staff concerns with the Social Security Safe Harbor Rule. Mr. Lee further explained why SURS staff and external counsel believe that the most straightforward way to prevent Tier II benefits from falling below the Safe Harbor for Social Security Benefits would involve a legislative fix. He then introduced Ms.

Shalina Schaefer of the law firm of Ice Miller, LLP and Amy Williams of the of the Actuarial/Consulting firm of Gabriel, Roeder, Smith & Company (GRS) who continued the Safe Harbor discussion and answered questions raised by the board. Ms. Schaefer discussed the preliminary Safe Harbor Analysis and outlined the Rules that apply to Tier II members.

SURS General Counsel, Ms. Bianca Green, indicated that all of the documents referenced during this discussion were “pre-decisional” and are not available for public release until they are in final form and have been accepted by the board in that format.

### **CLOSED SESSION**

Trustee Van Meter moved that the SURS Board of Trustees go into closed session pursuant to §2(c)(1) of the Illinois Open Meetings Act to consider the sale or purchase of securities or investments or to consider an investment contract. Trustee Atkinson seconded the motion which passed via the following roll call vote:

Trustee Atkinson	- aye
Trustee Bodnaruk	- aye
Trustee Figueroa	- aye
Trustee Flaherty	- absent
Trustee Giertz	- aye
Trustee Hendrie	- aye
Trustee Lyons	- absent
Trustee Rock	- aye
Trustee Van Meter	- aye
Trustee Vasquez	- aye
Trustee Vogel	- aye

### **RETURN TO OPEN SESSION**

The open meeting resumed session at 5:50 p.m.

### **TRUSTEE COMMENT**

There were no trustee comments presented to the SURS Board of Trustees.

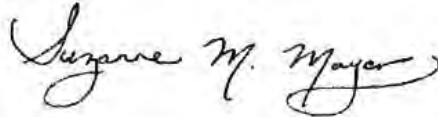
### **PUBLIC COMMENT**

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

There was no further business brought before the board and Trustee Rock moved that the meeting be adjourned. The motion was seconded by Trustee Hendrie which passed via the following roll call vote:

Trustee Atkinson	-	aye
Trustee Bodnaruk	-	absent
Trustee Figueroa	-	aye
Trustee Flaherty	-	absent
Trustee Giertz	-	aye
Trustee Hendrie	-	aye
Trustee Lyons	-	absent
Trustee Rock	-	aye
Trustee Van Meter	-	aye
Trustee Vasquez	-	aye
Trustee Vogel	-	aye

Respectfully submitted,

A handwritten signature in black ink, reading "Suzanne M. Mayer". The signature is written in a cursive, flowing style with a large initial "S" and a long, sweeping underline.

Ms. Suzanne M. Mayer  
Executive Director and Secretary, Board of Trustees

SMM:cm



1901 Fox Drive, Champaign, IL 61820-7333  
800-275-7877 • 217-378-8800 • (Fax) 217-378-9800  
www.surs.org

## MEMORANDUM

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TO: Board of Trustees

FROM: Ms. Suzanne Mayer  
Executive Director

RE: Board Training Requirements and Travel Approval

DATE: January 20, 2023

In order to assist Trustees in obtaining the 8 hours of annual training required by Public Act 96-0006, staff has developed the attached list of upcoming training opportunities. This list will be updated and provided to the Trustees with the regular meeting materials.

Public Act 96-0006 also requires that all Board travel be approved by a majority of Trustees in order to qualify for reimbursement of expenses in accordance with the Board's Travel Approval and Expense Reimbursement Policy. Each Trustee is eligible to be reimbursed for two out-of-state trips, each fiscal year, for educational purposes. SURS is a voting member of the Council of Institutional Investors ("CII"). In March of 2013, the SURS travel policy was amended, to provide that attendance at the semi-annual meetings of CII not be included in the two-per-year limit for board member attendance at educational conferences, since such conferences are not educational meetings, rather, are working meetings of an organization of which SURS is a member.

### **Staff Recommends that the following motions be approved at this time:**

- **That the Board of Trustees travel to attend conferences or trainings listed on the February 2023 list of Upcoming Training Opportunities be approved and that all resulting allowable expenses consistent with SURS travel policy be reimbursed.**



State Universities Retirement System  
Schedule of  
**Upcoming Training Opportunities**  
As of February 2023

**SURS Board/Committee Meetings for 2023**

SURS Board and Committee Meetings	March 9-10, 2023
SURS Board and Committee Meetings	April 20, 2023
SURS Board and Committee Meetings	June 1-2, 2023
SURS Board and Committee Meetings	September 7-8, 2023
SURS Board and Committee Meetings	October 19, 2023
SURS Board and Committee Meetings	December 7-8, 2023

Title:	Corporate ESG & Sustainability Forum
Subject Matter:	Various ESG topics
Sponsor:	The Deal
Date:	March 7, 2023
Location:	New York, NY
Registration Fee:	\$595 - \$1,195

**Council of Institutional Investors**

Title:	2023 Spring Conference
Subject Matter:	Corporate Governance Issues
Sponsor:	Council of Institutional Investors
Date:	March 6-8, 2023
Location:	Washington, DC – Salamander Hotel
Registration Fee:	Complimentary for members

✱ = New Item

✱	Title:	ESG Investing
	Subject Matter:	ESG Investment Topics
	Sponsor:	Pensions & Investments
	Date:	April 11-12, 2023
	Location:	Chicago, IL
	Registration Fee:	TBD

✱	Title:	7 <sup>th</sup> Annual Real Estate Midwest Forum
	Subject Matter:	Various Investment Topics
	Sponsor:	Markets Group
	Date:	April 19, 2023
	Location:	University Club - Chicago, IL
	Registration Fee:	TBD