

**NOTE:** These minutes from the June 9, 2015, Governance Committee meeting were approved and executed at the September 8, 2015 Committee meeting.

**Governance Committees  
Board of Trustees  
June 9, 2015**

**The Public Minutes**

**New Hampshire Retirement System  
54 Regional Drive  
Concord, NH 03301**

*Governance Committee Members:* Bill Dwyer, Dick Gustafson, Ph.D., and David McCrillis, *present.* Don Roy, Dean Crombie, *absent.*

*Staff:* George Lagos, *Executive Director;* Tim Crutchfield, Esq., *Chief Legal Counsel;* Larry Johansen, *Director of Investments;* Mark Cavanaugh, Esq., *Associate Counsel and Compliance Officer;* Shannan Hudgins, *Administrative Coordinator.*

*Trustee:* Germano Martins.

On behalf of Committee Chair Roy, Trustee McCrillis called the Governance Committee Meeting to order at 11:55 a.m. On a motion by Trustee Dwyer, seconded by Trustee Gustafson, the May 12, 2015, Committee minutes were approved.

Trustee McCrillis reviewed the potential benefits of purchasing cyber security liability insurance coverage for the system, noting that in addition to the third party liability protection afforded, the policies also provided significant assistance in managing and responding to a security breach event. Staff confirmed that the resources afforded by an insurer under these circumstances would be extremely beneficial in protecting the interests of members and retirees. On a motion by Trustee Gustafson, seconded by Trustee Dwyer, the Committee unanimously approved to recommend that the full Board approve coverage option #2, offered through Beazley Breach Response, specifying a limit of \$2 million with a \$50,000.00 deductible at a premium of \$33,708.00,.

Following a discussion of the current Procurement Policy, some of the ambiguities and inconsistencies in the language and the limitations and restrictions of the sole source language, on a motion by Trustee Gustafson, seconded by Trustee Dwyer, the Committee unanimously voted to recommend that the full Board approve the proposed amendments with the Committee's suggested alterations incorporated by Atty. Crutchfield and distributed to Committee members in advance of the July 14, 2015 Board meeting.

Mr. Lagos and Atty. Crutchfield discussed Trustee education and the current policy for education travel. The purpose of the discussion was to explore whether or not the policy was effective in supporting the need for assuring that Trustees had sufficient opportunities for pension-related education. It was noted that there have been education sessions regularly incorporated into the monthly Board meetings on a

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June 9, 2015

variety of topics. The Committee concluded that the current policy was both adequate and appropriate.

After a review of upcoming matters and in consideration of the anticipated items slated for the July Board of Trustees meeting, the Committee tentatively scheduled its next meeting to follow immediately after the August 11, 2015 Board of Trustee meeting.

On a motion by Trustee Dwyer, seconded by Trustee Gustafson, the meeting was adjourned at approximately 12:31 p.m.

*Respectfully submitted,*  
*Shannan Hudgins*