

**NOTE:** These minutes from the August 10, 2021 Governance Committee meeting were approved at the January 4, 2022 Committee meeting.

**Governance Committee**  
Board of Trustees  
New Hampshire Retirement System  
54 Regional Drive  
Concord, NH 03301

**August 10, 2021**  
**Public Minutes**

*As one Committee member was participating electronically pursuant to RSA 100-A:14-a, all votes were by roll call pursuant to RSA 91-a.*

*Governance Committee Members:* Trustees Don Roy, Chair, Sue Hannan, Robert Maloney, and Monica Mezzapelle. Absent: Scott Christensen.

*Staff:* Jan Goodwin, *Executive Director*; Tim Crutchfield, *Deputy Director and Chief Legal Counsel*; Frank Clough, *Director of IT*; Gerard Murphy, *Director of Finance*; Larry Johansen, *Director of Investments*; and Mark Cavanaugh, *Associate Counsel & Compliance Officer*.

Chair Roy called the meeting to order at approximately 11:15 AM. Having established a quorum, on a motion by Trustee Mezzapelle, seconded by Trustee Maloney, the Committee voted to approve the minutes of the June 8, 2021 Governance Committee meeting as presented. The motion passed unanimously.

The next order of business was the annual Committee Charter review. The Committee agreed that no revisions are needed at this time.

The next topic was the annual OFAC (Office of Foreign Asset Control) compliance review. Attorney Cavanaugh reported that OFAC is a branch of the US Department of the Treasury that administers federal laws that prohibit financial transactions with designated sanctioned countries and individuals. He noted that NHRS does not generally engage in transactions that could result in violations of the OFAC rules. In addition, NHRS relies on its vendors that execute financial transactions (i.e., custodial and transactional banks; investment managers, etc.) to monitor compliance with OFAC rules by means of their automated compliance programs. In accordance with the OFAC Policy, NHRS staff reported that there were no actual or potential violations since the

last report to the Committee in September 2020, as has been the case since the OFAC review process was instituted seven years ago. Attorney Cavanaugh noted that, although there is a small risk of potential violations, NHRS maintains a robust compliance policy as a matter of general fiduciary duty and to mitigate any potential penalties in the unlikely event that a violation should occur.

Next, the Committee determined there was not a need at this time for a meeting following the September Board meeting but a final decision would be made closer to that meeting.

With no further business to discuss, on a motion by Trustee Hannan, seconded by Trustee Maloney, the Committee voted unanimously to adjourn the meeting.

Respectfully submitted,

Tim Crutchfield