

NHRS Board of Trustees, Governance Committee
May 12, 2015

NOTE: These minutes from the May 12, 2015, Governance Committee meeting were approved at the June 9, 2015 Committee meeting.

**Governance Committees
Board of Trustees
May 12, 2015**

Public Minutes

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

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

Staff: George Lagos, *Executive Director*; Tim Crutchfield, Esq., *Chief Legal Counsel*; Larry Johansen, *Director of Investments*; Nancy Miller, *Director of Member Services*; Denise Call, *Director of Employer Services*; Frank Clough, *Director of Information Technology*; Cecile Merrill, *Project Manager*, Carolyn Johnson, *Hearings Officer*; Mark Cavanaugh, Esq., *Associate Counsel and Compliance Officer*; Shannan Hudgins, *Administrative Coordinator*.

Committee Chair Roy called the Governance Committee Meeting to order at 12:19 p.m. On a motion by Trustee Crombie, seconded by Trustee Gustafson, the January 13, 2015, Committee minutes were approved as follows:

Ayes: Trustees Roy, Crombie, Gustafson, and McCrillis.

Nays: None.

Abstentions: Trustee Dwyer.

On a motion by Trustee Crombie, seconded by Trustee Gustafson, the April 14, 2015, Committee minutes were approved as follows:

Ayes: Trustees Roy, Crombie, Dwyer, and McCrillis.

Nays: None.

Abstentions: Trustee Gustafson.

Following a brief discussion of the Audit Committee's amended Employer Withdrawal Policy that was approved earlier in the day by the Audit Committee, on a motion by Trustee Gustafson, seconded by Trustee Dwyer, the Committee unanimously approved the policy, which would be presented to the full Board for ratification at its June 9, 2015, meeting.

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Following a brief explanation of the Ret. 103 fee schedule requirements from *Chief Legal Counsel* Tim Crutchfield, on a motion by Trustee McCrillis, seconded by Trustee Dwyer, the Committee unanimously approved the fee schedule for copies under Ret. 103.

Atty. Crutchfield next introduced a review of Cyber Insurance and asked Trustee McCrillis to provide explanations and insight from his experience in the insurance industry. He emphasized the increasing occurrences of security breaches across all business sectors, public and private, and the consequent need for an agency such as NHRS to obtain adequate and appropriate insurance against a data breach. Following a lengthy discussion and with the approval of the Committee, Atty. Crutchfield stated that staff would present cyber insurance options for the Committee's review at its next meeting, which would include carrier options and fee schedules.

Staff requested review of the current Procurement Policy to address ambiguities that might be revised to better serve the System and the Trustees in their fiduciary oversight. Atty. Crutchfield stated that staff would present suggested revisions to the Policy for the Committee's review at its next meeting.

Following a brief, general discussion, Chair Roy scheduled the next Governance Committee for Tuesday, June 9, 2015, immediately following the regularly scheduled Board of Trustees meeting.

On a motion by Trustee Crombie, seconded by Trustee Dwyer, the meeting was adjourned at approximately 12:58 p.m.

Respectfully submitted,
Shannan Hudgins