

NOTE: These minutes from the September 8, 2015, Governance Committee meeting were approved and executed at the October 13, 2015 Committee meeting.

**Governance Committees
Board of Trustees
September 8, 2015**

The Public Minutes

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

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

Trustees: Germano Martins, Bruce Moorehead, and George Walker.

Chair Roy called the Governance Committee Meeting to order at 12:25 p.m. On a motion by Trustee Crombie, seconded by Trustee McCrillis, the June 9, 2015, Committee minutes were unanimously approved.

Chief Legal Counsel Tim Crutchfield opened the discussion with a request for Committee's annual review of the Governance Charter, a process each Board Committee was engaged in. He suggested any comments or proposed changes be forwarded to him before the next Board of Trustees meeting, if possible.

The Committee next addressed Staff's recommended changes to the Office of Foreign Assets Control (OFAC) Compliance Policy. Mr. Crutchfield noted that the NHRS Internal Auditor was empowered with carte blanche review of all System information and so the current language in the Policy regarding the Internal Auditor was unnecessary. Additionally, most NHRS compliance-adherence matters were vendor-related. Following a brief discussion, on a motion by Trustee McCrillis, seconded by Trustee Gustafson, the Committee unanimously voted to recommend to the full Board that it approve the most recent revisions to the OFAC Policy.

Atty. Crutchfield next provided the Committee with an IRS Determination Letter update, stating that the five-year cycle was being discontinued by the IRS. He noted that staff would continue its annual review of the System's Voluntary Compliance Plan.

Following the Board approval of revisions to the Employer Withdrawal Policy earlier this summer, Staff had begun the rule promulgation process based on the policy changes. Atty. Crutchfield stated that a draft rule had been forwarded to GRS, the System's consulting actuary, to review the calculations included in the text, before bringing the rule to the Audit and Governance Committees for review.

NHRS Board of Trustees, Governance Committee
September 8, 2015

The Committee set its next meeting immediately following the full Board of Trustees meeting on Tuesday, October 13, 2015.

On a motion by Trustee Gustafson, seconded by Trustee McCrillis, the meeting was adjourned at approximately 12:41 p.m.

Respectfully submitted,
Shannan Hudgins