
Minutes

A regular meeting of the Administration and Personnel Committee of the VRS Board of Trustees was held on February 8, 2018 in Richmond, Virginia with the following members present:

Mitchell L. Nason, Chair
Diana F. Cantor, Vice-Chair
Wallace G. Harris
Joseph W. Montgomery

Board members present:
William H. Leighty
O'Kelly E. McWilliams, III
Troilen Gainey Seward

Also present: Trish Bishop, Jennifer Schreck, Jeanne Chenault, Michael Cooper, Juanita Cribbs, Jordan Evans, Barry Faison, Brian Goodman, Robert Irving, Curt Mattson, Andrea Peeks, Matt Priestas, Capri Stanley-Smith, and Cindy Wilkinson of the VRS staff; and Joe McMahon of the Joint Legislative Audit and Review Commission.

Mr. Nason welcomed everyone and called the meeting to order at 10:33 a.m.

Approval of Minutes

Upon a motion of Mr. Harris, with a second by Mr. Montgomery, the minutes of the November 16, 2017 Administration and Personnel Committee meeting were approved.

Review of Procedures for Participating in Foreign Securities Litigation

Ms. Wilkinson and Mr. Goodman gave a presentation on foreign securities litigation.

Key points from the presentation included:

- In foreign securities actions, if VRS does not opt in, there is no other avenue for recovery
- Appointed asset recovery counsel typically notifies VRS of a case
- Opting into a foreign case is similar to VRS' custodian filing a proof of claim for a case in the United States or Canada

- VRS does not participate in jurisdictions where there is the risk of a “loser pays” rule
- VRS is not a lead plaintiff, and VRS’ participation is passive
- Discovery is very limited and staff involvement is minimal
- Board policy allows for the Chair, Director, and CIO to approve participation if an immediate decision to participate between Board meetings is necessary

VRS staff will develop proposed revisions to the Proxy Voting and Securities Litigation Policy for consideration by the Committee at a future meeting.

Quarterly Budget Variance Report

Mr. Faison and Ms. Peeks presented the July 2017 to December 2017 Budget Variance Report. The report reflected VRS year-to-date numbers.

Compensation and Benefits (Closed Session)

Upon a motion by Mr. Nason, with a second by Mr. Harris, the Committee convened a closed meeting under the Virginia Freedom of Information Act to discuss compensation and benefits of specific employees pursuant to the personnel exemption in Code of Virginia § 2.2-3711(A)(1). The Committee approved the motion by voice vote.

After returning to open meeting, upon a motion by Mr. Nason, with a second by Mr. Montgomery, the Committee approved the following resolution by roll call vote:

WHEREAS, the Administration and Personnel Committee of the Virginia Retirement System Board of Trustees convened a closed meeting on this date pursuant to an affirmative recorded vote in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, *Code of Virginia* §2.2-3712 requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Committee certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by

which the closed meeting was convened were heard, discussed or considered by the committee.

Ms. Seward: Aye
Mr. Harris: Aye
Mr. Montgomery: Aye
Mr. Leighty: Aye
Mr. McWilliams: Aye
Ms. Cantor: Aye
Mr. Nason: Aye

Next Committee Meeting

The next Committee Meeting will be scheduled via email.

Adjournment

There being no further business, Mr. Nason adjourned the meeting at 11:47 a.m.

4-12-18

Date



Mitchell L. Nason, Chair