



Denver Public Schools
Professional Compensation System for Teachers

ProComp

ProComp Trust Board of Directors

September 24, 2014 5:30 p.m.

Emily Griffin Conference Room 1031

1860 Lincoln St, Denver CO 80203

MINUTES

IN ATTENDANCE: David Hart (Chairman), Kate Kotaska, Mark Ferrandino, Cecilia Miller
ATTENDED VIA CONFERENCE CALL: Lawrence Garcia, Mike Johnson
STAFF IN ATTENDANCE: Pat Riordan, Matthew Groves
OTHERS: Mary Brauer, Stuart Payment, Jake O'Shaughnessy, Ryan Cunningham
NOT IN ATTENDANCE: Donald Gilmore (Vice Chairman); Tom Buescher (Secretary)

Action Items:

- I. Approval of Agenda
 1. Motion: Ferrandino Seconded: Kotaska.
 2. Vote: Voice None opposed.
- II. Approval of June 11, 2014 meeting minutes.
 1. Motion: Ferrandino Seconded: Kotaska.
 2. Amend Minutes: May to Mary
 3. Vote: Voice None opposed.
- III. Approval of Annual Financial Report
 1. Motion: Kotaska Seconded: Ferrandino
 2. Report by Riordan
 - A. Due Once A Year
 - B. Via the Transition Committee
 - C. The Superintendent is given the report.
 - D. Did not meet June deadline.
 - E. Gave brief summary of the information contained.
 - F. Hart: Status of our performance? Better than expected.
 - G. Hart: What was the delay? Work was not made a priority.
 - H. Hart: It was not an issue with the accounting? No, and we will never meet the 6/15 deadline.

- I. Hart: Would the committee need to revise the budget based on FY14 numbers?
No material changes needed.
 - J. Direction given to track portfolio to see if what was adopted meets actuals.
 - K. Hart: Amending budgets will occur on normal budget cycle? Yes
 - L. Vote: Voice None opposed.
- IV. Approval of the updated Investment Policy – No action taken.
- 1. Riordan Gave update/background
 - 2. Brauer commented on concerns:
 - A. Investment committee has no authority. All decisions of the trust board must be made by the trust board.
 - 3. O'Shaughnessy commented on performance of the Trust that the old policy constrained investments to not perform as well.
 - 4. Brauer: from a legal stand point, if the committee delegates duties, the concerns would be investment policy to line up with the appropriate policies and develop a contract.
 - 5. Hart Investment policy should be silent with regard to the investment committee and recognizes that board had the authority to make decision.
 - 6. Hart: Make sure the PCC recognizes that the investment committee is advisory.
 - 7. Hart: Will review existing agreements with focus on investment management.
 - 8. Brauer: The Trust Committee must make a decision based on its own due diligence, not a recommendation to "Rubber Stamp".
- V. By-Law Change: Conducting Business via E-mail. – Indefinitely Postponed.
- 1. Not sure if it isn't in violation of open meetings act?

Information Items:

- I. FY13-14 ProComp Audit Update – Given, Goal of Mid November.
 - 1. Will be prepared in accordance with state law.
- II. Review Q4 FY 2013-14 financials
 - 1. Financials presented are best available information.
 - 2. Detail associated in Attachment II.
- III. Review Q4 Investment Committee report
 - 1. Presented by Payment, O'Shaughnessy, Cunningham
- IV. By-Law discussion: referring to Board Policy
 - 1. After discussion with legal, if warrants, bring back.

Future Agenda Items:

- I. FY13-14 ProComp Audit
- II. Review Q4 FY 2013-14 financials
- III. Review Q4 Investment Committee report
- IV. Amended: Bring back investment policy and DPS DOE Policy if needed.

Adjourned

Attachments

- I. June 11, 2014 Minutes
- II. Q4 financials – Unaudited.
- III. Q4 Investment Committee report – Performance Review 6/30/14
- IV. DPS ProComp By-Law Change: Doing Business via E-mail.
- V. Financial Performance of the ProComp Trust Fund
- VI. Draft Investment Policy August 2014