



Denver Public Schools
Professional Compensation System for Teachers

ProComp

ProComp Trust Board of Directors

July 08, 2015 5:30 p.m.
Emily Griffith Conference Room 1135
1860 Lincoln St, Denver CO 80203

ATTENDED: David Hart (Chairman), Cecilia Miller, Tom Buescher (Secretary), Mike Johnson and Kate Kotaska
VIA CONFERENCE CALL: Donald Gilmore (Vice Chairman), Lawrence Garcia

NOT: Mark Ferrandino

STAFF IN ATTENDANCE: Matthew Groves

OTHERS: Ryan Cunningham, Jake O'Shaughnessy, Stuart Payment, and Mary Brauer.

Action Items:

- I. Approval of Agenda.
 1. 1st: Kotaska 2nd: Buescher
 2. Question on procedure. Groves explains that the meeting was called to order but there was no quorum.
 3. Voice Vote: All, Passes
- II. Approval of April 02, 2015 meeting minutes.
 1. 1st: Buescher 2nd: Kotaska
 2. Voice Vote: All
- III. Approval of June 24, 2015 meeting minutes.
 1. 1st: Kotaska 2nd: Buescher
 2. Voice Vote: All, Passes
- IV. Approval of Amendment to the Investment Policy and Approval of New Advisory Services Agreement.
 1. 1st: Garcia 2nd: Buescher
 2. Cunningham notes what Arnerich & Massena's responsibilities are and are not.
 3. Brauer elaborates, refers to the responsibilities of the Trust, including reviewing performance and fees.
 4. Hart asks for a vote only on amending policy.
 - A. Voice Vote: All, Passes
 5. Brauer notes that there were many changes to the contract.
 6. Hart asks for vote on new contract with Arnerich & Massena.
 - A. Voice Vote: All, Passes

V. Selection of New Fund Manager.

1. Tabled

VI. Approval of 2014-15 Administrative Services.

1. 1st: Miller 2nd:Buescher
2. Groves explains that fees were approved by the Transition Team and within 5% limit.
3. Voice Vote: All, Passes

VII. Buck Consultants Engagement Letter.

1. 1st: Buescher 2nd: Kotaska
2. Buescher would like to see what kind of options there are.
3. Johnson: It isn't the Trust's responsibility to do the negotiators work.
4. Hart: Most likely we are limited to one set of analysis.
5. Told to return item at next meeting when contract is negotiated.
6. Tabled until next meeting.

VIII. Election of Officers.

1. 1st: Buescher 2nd:Gilmore
2. Groves administers Chair's vote.
3. Hart elected Chair.
 - A. Voice Vote: All
 - B. Hart assumes Chair
4. Gilmore Elected Vice Chair.
 - A. Voice Vote: All
5. Buescher Elected Secretary.
 - A. Voice Vote: All

Information/Discussion Items:

A. Excused and unexcused absences:

- a. Discussion on expectations for attendance notification and clarification.
- b. Memo from general counsel reviewed.
- c. Hart asks to have policy ready for vote at next meeting.

B. Q1 2015 Report.

- a. Johnson: Inquires about Wetherlow fund. Answer: An alternative strategy, invests inequalities, which shorts. Relative to its bench, it does well/above bench. Performs between bonds and equities.
- b. O'Shaughnessy, we will be implementing changes and reporting back to Trust. We would like to hear the best manner to communicate portfolio changes and performance to the Trust. Ultimately, we want to make an effective and efficient 2 way dialogue.
- c. Buescher: Documents should be labeled DPS ProComp Trust.
- d. Hart: At what point would one fund be too large or small? Answer: generally we seek things to be at less than a 20% position.

- C. Re-bid Investment Advisory Services Contract.
 - a. O'Shaughnessy noted that Arnerich & Massena have been in service since the beginning of program.
 - b. Hart asks what a normal time between RFP's would be. O'Shaughnessy responds 3-5 years.
 - c. Hart states that the trust should perform another RFP for investment advisors. Requests Arnerich and Massena supply any RFP's they think will help the Trust prepare an RFP.
 - d. Requests RFP at the next meeting.
- D. FY15 Year End Draft Report.
- E. Tentative schedule of next year's board meetings: 09/16/15, 10/07/15, 12/9/15, 02/17/16, 04/06/16, 06/01/16.

Future Agenda Items:

- I. Next ProComp Trust Board meeting: 09/16/15
- II. RFP review
- III. Absence policy
- IV. Adjourned