



May 16, 2012

To: Members of the Board of Retirement

From: Annette Cain-Darnes –Chair

Subject: Summary of the May 16, 2012 Investment Committee Meeting

The Investment Committee met on Wednesday, May 16, 2012 at 9:03 a.m. The Committee members present were Dale Amaral, Annette Cain-Darnes, George Dewey, Liz Koppenhaver, Elizabeth Rogers, and George Wood. Also present was Alternate Safety member Darryl Walker. Members of the Staff present were Vincent Brown – Chief Executive Officer, Kathy Foster – Assistant Chief Executive Officer, Robert Gaumer – Chief Counsel, Harsh Jadhav – Internal Auditor, Betty Tse – Chief Investment Officer.

ACTION ITEM

1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Amended ACERA Proxy Voting Guidelines and Procedures
 - After discussion, Mr. Dale Amaral moved, seconded by Mr. George Dewey, to recommend to the Board to adopt an amended ACERA Proxy Voting Guidelines and Procedures. The motion passed unanimously.
2. Review of and Possible Motion to Recommend to the Board to Adopt an Amended Custody Contract with ACERA's custodian bank – State Street Bank and Trust Company
 - After discussion, Ms. Liz Koppenhaver moved, seconded by Mr. Dale Amaral, to recommend to the Board to authorize Staff to negotiate an extension to the current Amended Custody Contract with ACERA's custodian bank – State Street Bank and Trust Company. The motion passed unanimously.

INFORMATION ITEMS

1. Annual review of Next Century Growth Small Cap Growth and Ultra Growth
2. Introduction to Asset Liability Study – Part III
 - This item was postponed and will be presented on June 11, 2012 at the Actuarial Committee Meeting
3. Report on ACERA's PEARLS Investment – Venture Capital

RECOMMENDATIONS

- The Committee recommends and I move that the Board adopt an amended ACERA Proxy Voting Guidelines and Procedures.
- The Committee recommends and I move that the Board grant Staff the authority to negotiate an extension to the current amended Custody Contract with ACERA's custodian bank – State Street Bank and Trust Company.

FUTURE DISCUSSION ITEMS

None

TRUSTEE/PUBLIC INPUT

None

ESTABLISHMENT OF NEXT MEETING DATE

June 13, 2012 at 9:00 a.m.

ADJOURNMENT

The meeting adjourned at 10:30 a.m.