

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
FUND MANAGER OPERATIONS, GOVERNANCE POLICY and AUDIT COMMITTEE
MEETING**

February 24, 2010

MINUTES

Members Present: Mr. Brian Tobin, Chairman
Mr. Brian Delfs, Member
Judge R. Carter Olson, Member - Excused
Mr. Gregory Ferguson, Member

Others Present: Mr. Jim Hacking, Administrator
Ms. Tracey Peterson, Chief Operating Officer
Ms. Karen Lewis, Accounting Manager
Mr. Rick Murray, Senior Programmer
Mr. Sam Meier, IT Network and Communications
Mr. Tom Willard, Systems Development Manager
Ms. Bridget Feeley, Audit and Compliance
Ms. Susanne Dobel, Member Services Manager
Mr. Robert Ortega, Local Board Coordinator/HR
Ms. Gail Nova, Administration Manager
Mr. Paul C. Hemmes, Training / Audio Visual Specialist
Mr. Doug Hill, Brazen Technologies
Ms. Melissa Schmidt, Brazen Technologies

The **Operations, Governance Policy, and Audit Committee** meeting of the Fund Manager was held on Wednesday, February 24, 2010 in the internal conference room at 3010 East Camelback Road, Suite 200, Phoenix, Arizona 85016.

A. Call to Order

The meeting was called to order by Mr. Brian Tobin at 10:00 A.M.

Mr. Tobin welcomed Mr. Ferguson to the Operations, Governance Policy and Audit Committee.

B. Review and possible **Acceptance of the minutes from the January 27, 2010 Operations, Governance Policy, and Audit Committee meeting.**

Motion: 2-24a-2010	At 10:08 A.M. To accept the minutes of the January 27, 2010 committee meeting.
Moved by:	Brian Delfs
Seconded by:	Greg Ferguson
Discussion:	None
In Favor:	All
Motion:	Passes

C. Agenda Items

1. Presentation by staff and legal counsel, and possible discussion and **Recommendations** thereon, regarding adoption of the proposed Policy Regarding Review of PSPRS Local Board Actions, to be compliant with A.R.S. § 38-847(H).

Discussion was held that due to PSPRS' statutory responsibility to review actions and decisions of local boards within 60 days, it was recommended that this policy be adopted.

Motion: 2-24b-2010	At 10:08 A.M. To Recommend approval of the Policy Regarding Review of PSPRS Local Board Actions
Moved by:	Greg Ferguson
Seconded by:	Brian Delfs
Discussion:	None
In Favor:	All
Motion:	Passes

2. Report by Jim Hacking, PSPRS IT staff regarding Brazen Technology exit strategy, the IT department's plan for going forward, the status of our systems and possible **Recommendations** to approve the Committee's recommendations concerning such matters.

It was decided that after completion of the documentation of all systems currently in place and except for special projects, the PSPRS IT staff can maintain the systems and Brazen's involvement will no longer be needed.

3. Discussion between the committee, staff and the IT department regarding second off site back up and possible **Recommendations** to approve the Committee's recommendations concerning such matters.

Discussion is to be continued in the March meeting.

4. Update by Karen Lewis regarding the FY 2009, 2010 budget as of January 31, 2010 with departmental projections to the end of the fiscal year to be followed by discussion and possible **Recommendations** to approve the Committee's recommendations concerning such matters.

As reported by Karen Lewis, Accounting Manager, we are overall 4.62% under budget at this time. An amended budget is to be brought back to the committee meeting in March.

5. Review, discussion, and possible **Action** regarding approval of the February 2010 bill for legal services performed in January 2010.

Motion: 2-24c-2010	At 10:57 A.M. To approve payment the legal bill for January 2010.
Moved by:	Brian Delfs
Seconded by:	Greg Ferguson
Discussion:	None
In Favor:	All
Motion:	Passes

6. Written update and discussion on the progress of the Local Board Training Program and possible **Recommendations** to approve the Committee's recommendations concerning such matters.

Mr. Ortega reported that about 30% of the initial baseline meetings with local boards have been completed through conference calls, Go To Meeting over the internet, and in person. He is working with the IT department regarding tracking compliance progress of each board and a Local Board Retirement Manual is being compiled for use of each board.

7. Update by Bridget Feeley regarding compliance followed by possible discussion and possible **Recommendations** to approve Ms. Feeley's advice concerning such matters.

Ms. Feeley reported there were no compliance issues.

- D. Call to the Public: This is the time for the public to comment. Members of the committee may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(G), the subcommittee's reaction to any public comment is limited to recommending that the Fund Manager or staff respond or study such comment or schedule the subject matter for further consideration at a later date after appropriate notice.

No members of the public were present.

- E. Schedule next meeting

The next meeting is March 31, 2010 at 10:00 A.M.

- F. Adjournment

The meeting was adjourned at 11:10 A.M.

Motion: 2-24d-2010	At 11:10 A.M. To adjourn the meeting.
Moved by:	Brian Delfs
Seconded by:	Greg Ferguson
Discussion:	None
In Favor:	All
Motion:	Passes

Brian Tobin, Chair

Brian Delfs, Member

R. Carter Olson, Member

Greg Ferguson, Member