1. Call to Order; Roll Call; Opening remarks ................................................................. Mr. Brian Tobin

Chairman Tobin called the meeting to order at 9:06 a.m.

2. Presentation by Investment Department Staff, legal counsel and NEPC, LLC representatives and discussion and possible Recommendations regarding certain proposed revisions to the Amended and Restated Statement of Investment Policy which are designed to repose authority in the Investment Committee to approve certain investments for the Arizona PSPRS Trust (and to make other miscellaneous changes to the Investment Policy). ................................................................. Mr. Ryan Parham

Chairman Tobin explained the meeting was called to discuss the Amended and Restated Statement of Investment Policies with a working-group of Board members and Staff to draft proposed revisions to the Policies. The suggested changes were made through the collaboration of Staff, legal counsel and NEPC. A proposal regarding GTAA will be developed with the assistance of NEPC and will be presented at a later meeting. The proposed revisions will enable the move to the new asset allocation, accepted at an earlier Board of Trustees meeting, and will address the preference of the Board of Trustees that the selection of investment managers be delegated to the Administrator and Staff in consultation with the appropriate Investment Consultants. This will permit the members of the Board to spend more time on strategic investment matters.

It was also suggested that a checklist be developed to list the steps of the review process for any new investment manager selection; this is to assure accountability and to demonstrate consistency with existing policies. Due diligence of new investment opportunities are to be conducted by Staff and the appropriate specialist investment

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consultant and NEPC before they are presented to the Administrator and the Internal Auditor / Compliance Officer.

Authority for approval of all investments, after consulting with Staff and the consultants, is delegated to the Administrator except in circumstances where there is a difference of opinion between Staff and the consultants. In that case, the matter must be brought to the Board for resolution. A means for reporting to the Board and the Administrator, perhaps via e-mail, must be developed to list, in an adequate time frame, what is being considered so as not to compromise negotiations.

The suggestion was made that the Board's Investment Committee should devote its time to reviewing investment strategies to determine what is working and what is not and to reviewing portfolio managers to determine who is, and who is not, performing up to expectations, with appropriate recommendations to be made to the Board for action. Suggestions by the Trustees, legal consultant, and Staff were made as to how to improve the specific language in the draft policy revision.

At a future Board meeting, there shall be a discussion of the possibility of using a third party company for voting proxies in and accordance with the direction of PSPRS.

3. Call to the Public

There were no members of the public present.

This is the time for the public to comment. Members of the Board of Trustees may not discuss items that are not specifically identified on the agenda, except to address criticism from the public. Therefore, pursuant to A.R.S. § 38-431.01(H), the Board of Trustees' reaction to any public comment is limited to addressing criticism or recommending that the Board of Trustees or Staff respond or study such comment or schedule the subject matter for further consideration at a later date after appropriate notice.

4. Set the next meeting date. (Currently scheduled for Wednesday, July 25, 2012.)

5. Adjournment

The meeting was adjourned at 10:49 a.m.

Mr. Brian Tobin, Chairman, Trustee
Mr. William Davis, Trustee

Mr. Richard Petrenka, Trustee
Ms. Randie Stein, Trustee