



INVESTMENT BOARD MEETING MINUTES
IPERS Board Room
7401 Register Drive, Des Moines, Iowa
January 13, 2020

The following people participated in the IPERS Investment Board meeting held on Monday, January 13, 2020.

Members of the Board – Present

Marlene Sprouse, Vice Chair
David Creighton
Treasurer Michael Fitzgerald
Justin Kirchhoff
Phyllis Peterson
Senator Pam Jochum

Members of the Board – Absent

Lisa Stange, Chair
Senator Mark Lofgren
Representative Mary Mascher
Representative Mary Ann Hanusa

Administration and Staff

Donna Mueller, CEO
Karl Koch, CIO
Sriram Lakshminarayanan, Chief Risk Officer
Keith Scholten, Senior Investment Officer
Melinda McElroy, Executive Assistant

Other Guests

Jina Bresson, State Treasurer's Office
Rose Dean, Wilshire Associates
Ali Kazemi, Wilshire Associates
Jeffrey Barrack, Barrack, Rodos & Bacine
Jeffrey Gittleman, Barrack, Rodos & Bacine
Robert Hoffman, Barrack, Rodos & Bacine

Proceedings

Marlene Sprouse, vice chair, called the meeting to order at 1:30 p.m.

U.S. SMID-Cap Value Equity Hiring Recommendation

Karl Koch reviewed with the Board that IPERS issued two RFPs for this search. One RFP to evaluate passive management and the other evaluating active management for a U.S. SMID-Cap value equity separately managed account mandate. IPERS received 7 proposals that met the minimum requirements for the passive approach and 14 proposals for the active approach. Karl Koch concluded that passive management represented the best option mainly due to the low cost of passive management. He recommended the Investment Board approve the hiring of RhumbLine Advisers to provide passive investment management services for a U.S. SMID-Cap value equity separately management account mandate of approximately \$400 million, subject to final due diligence and the successful completion of contract negotiations. David Creighton made the motion to accept the hiring recommendation. Phyllis Peterson seconded. The motion carried by roll call vote.

Ayes: Marlene Sprouse, David Creighton, Justin Kirchhoff and Phyllis Peterson

Nays: Treasurer Michael Fitzgerald

Absent: Lisa Stange

Securities Class Action Review and Recommendation

Marlene Sprouse made the motion that the IPERS Investment Board go into closed session to discuss strategy with counsel involving litigation as authorized by Iowa Code section 21.5(c). Phyllis Peterson seconded. The motion carried by unanimous roll call vote.

Ayes: Marlene Sprouse, David Creighton, Treasurer Michael Fitzgerald, Justin Kirchhoff and Phyllis Peterson

Nays: None

Absent: Lisa Stange

MOTION PASSED

Marlene Sprouse made the motion that the IPERS Investment Board resume the public session of the Investment Board meeting and announce the Board's decision. David Creighton seconded. The motion carried by unanimous roll call vote.

Ayes: Marlene Sprouse, David Creighton, Treasurer Michael Fitzgerald, Justin Kirchhoff and Phyllis Peterson

Nays: None

Absent: Lisa Stange

MOTION PASSED

Marlene Sprouse made the motion that the Investment Board authorize IPERS to take an active role in the federal securities class action that has been filed on behalf of purchasers of common stock of Energy Transfer LP. Justin Kirchhoff seconded. The motion carried by unanimous roll call vote.

Ayes: Marlene Sprouse, David Creighton, Treasurer Michael Fitzgerald, Justin Kirchhoff and Phyllis Peterson

Nays: None

Absent: Lisa Stange

MOTION PASSED

Confirm Next Meeting Date

The Investment Board's next meeting date of Friday, March 27, 2020, was confirmed.

Adjourn

With no further business to come before the Investment Board, the meeting adjourned at 1:58 p.m.