

KANSAS BOARD OF REGENTS  
**Retirement Plan Committee**  
MINUTES  
February 14 – 15, 2006

The February 14, 2006, meeting of the Kansas Board of Regents Retirement Plan Committee was called to order by Chairperson Nelson Galle at 12:30 p.m. The meeting was held in Board offices at the Curtis State Office Building, 1000 S.W. Jackson, Suite 520, Topeka.

Members Participating: Nelson Galle, Chairperson  
Mike Barnett, FHSU  
Lindy Eakin, KU  
Dr. Dipak Ghosh, ESU  
Dr. Ed Hammond, FHSU  
Gary Leitnaker, KSU  
Rick Robards, KUMC  
Michele Sexton, PSU  
Madi Vannaman, KBOR

Absent: Dr. Rick LeCompte, WSU.

Deloitte Consulting: Jim Tucker and Melanie Langsett.

**Minutes**

The November 2005 RPC minutes were approved.

**Report from Chair**

Chair Galle reported that at the Board's December meeting, the Investment Policy Statement was presented to the Board and approved.

**Draft Plan Documents**-the RPC discussed the following draft documents.

1. Investment Provider Agreement for the Kansas Board of Regents Mandatory Plan. Suggested changes were incorporated into the draft and approved with a recommendation for the Board's approval.
2. Kansas Board of Regents Mandatory Retirement Plan was approved as drafted with a recommendation for the Board's approval.

**Performance Data Report as of December 31, 2005**

Jim Tucker and Melanie Langsett reviewed the information for the Mandatory Plan Investment Providers for the year ending December 31, 2005. There were no real significant changes from the June 30, 2005, summary.

**Recess**

Chairperson Galle announced a recess at 2:40 p.m., and the meeting resumed at 2:50.

### **Request for Information**

Jim Tucker and Melanie Langsett reviewed the responses provided by the Mandatory Plan Investment Providers to the Request for Information, including the vendor fund evaluation as of December 31, 2005, for the proposed fund line-ups.

### **Recess**

The RPC recessed at 4:15 for the day.

### **Reconvene**

The October meeting of the Board was reconvened by Chairperson Galle at 8:00 a.m. on Wednesday, February 15. Dr. Rick LeCompte, WSU, joined us for this meeting, and Lindy Eakin, KU, was unable to attend.

### **Request for Information**

After recapping the previous day's meeting, Melanie Langsett distributed a Mandatory Vendor Selection Process Overview document. The RPC discussed this overview for vendor structure and selection.

1. The RPC should examine KBOR's needs from a vendor's investment profile including
  - a. investment models: bundled, semi-bundled, unbundled;
  - b. style: growth, value, blend;
  - c. orientation: passive, active; and
  - d. retail/institutional offerings;
2. The RPC should evaluate KBOR needs from a vendor's service model including
  - a. employee services: transaction processing, inquires, reporting, decision support and
  - b. employer services: level of outsourcing, compliance, reporting campuses is the issue
3. The RPC should determine its preference for number of vendors to meet the above determined needs including
  - a. Review of current vendors and
  - b. Doing market analysis to determine if other potential vendors would meet KBOR needs
4. With the vendors that the RPC finds meet KBOR needs, the RPC should examine fund selection
5. The final step is contracting with appropriate vendors and implementation of the new Mandatory Retirement Plan.

### **Next Steps**

The RPC agreed that the Investment Providers would be informed that the RPC is considering having as few as 2 companies in the mandatory plan with some distinction in their vendor profile along with a strong service model. The RPC has outstanding questions about the proposed fund line-ups and needs additional information to determine the number of vendors that should be utilized. Melanie Langsett and Jim Tucker will prepare a letter for the RPC to distribute to the

Mandatory Plan Investment Providers. The Investment Providers will be provided an opportunity to respond with their “best and final” program – funds, fees and services. Deloitte will analyze the responses and provide that information to the RPC prior to the next meeting.

**Next RPC meeting:**

RPC will meet on Monday, April 17, in the KBOR Office at 8:30 for a full day meeting.