



## MINUTES

**Meeting of the Executive Committee  
of the Board of Trustees of the  
State Universities Retirement System  
Monday, June 1, 2009, 1:30 p.m.  
University of Illinois at Chicago  
1140 S. Morgan, Chicago, Illinois**

Mr. Mitchell Vogel called the meeting to order at the time and location set forth in the notice of the meeting.

Roll call attendance was taken. Trustee Donovan, present; Trustee Palmer, Present; Trustee Vogel, present (via teleconference).

The following Trustees were also present: Ms. Christine Boardman.

Others present were: Ms. Judith A. Parker, Interim Executive Director; Mr. Kelly Jenkins, General Counsel; Ms. Shelley Porter, Chief Financial Officer; Mr. Terrin Krantz, Director of Human Resources; and Ms. Mary Pat Burns, Burke Burns & Pinelli.

Others present via teleconference were: Ms. Stacy Smith, Executive Assistant; Dr. J. Fred Giertz and Mr. Thomas Conry.

Trustee Vogel reported that SURS has received a request from a union to use the SURS blind mailing process to send informational materials to the SURS membership regarding the trustee election. Concern was raised as to whether the Blind Mailing Policy applies to election materials.

Since he is a candidate on the ballot, Trustee Vogel recused himself from the discussion and turned the meeting over to Vice-President Palmer. Ms. Burns clarified that Trustee Vogel will only observe the meeting and will not participate in discussion or vote concerning any aspect of the Board of Trustees election.

### **BLIND THIRD PARTY MAILING POLICY CONCERNING THE BOARD OF TRUSTEE ELECTION**

Trustee Palmer asked Ms. Parker to provide a summary of the consideration to-date. Ms. Parker reported that SURS received a request for the use of SURS mailing labels through

the Blind Mailing Policy from SEIU Local 73. The SURS Board adopted a Blind Mailing Policy in 1996. The Policy allows staff to provide mailing labels to third party mailing house in order to maintain the privacy of the membership. In response to recent legislation that requires SURS to hold a Board of Trustees election, the Board adopted the SURS Trustee Election Policy on April 13, 2009. Ms. Parker stated that the Executive Committee is being asked to make a determination as to how the current Blind Mailing Policy applies in light of the SURS Trustee Election Policy.

The Executive Committee decided to allow Dr. Giertz and Mr. Conry, who represented themselves as candidates on the election ballot, three minutes each to state their position or concern with the proposed mailing.

Trustee Boardman stated that her original request, to send a mailing to both the contributing membership and the annuitants, was being amended to only include an annuitant mailing. Trustee Boardman indicated that the main reason for amending the request is that contributing members have more access to candidate information through e-mail lists and other on-campus resources. However, a mailing to annuitant members should promote participation in the election. Dr. Palmer asked about the nature of the mailing. Trustee Boardman responded that the mailing would be an endorsement of annuitant candidates.

Dr. Giertz identified himself as a contributing member candidate. He stated that the fact that the request was amended to include only a mailing to annuitant candidates negates his direct concern. Dr. Giertz stated that he was told early in the process that endorsement mailings were not allowed and he was not informed of a Blind Mailing Policy. Dr. Giertz commented that Trustee Boardman's participation in the meeting could be viewed as a conflict of interest; if she was present representing the union making the request. In closing, Dr. Giertz commented that the providing access to the SURS mailing list would in effect require candidates to be willing and able to spend significant amounts of money in order to be competitive in this election. Dr. Giertz stated that this issue should have been addressed when the election rules were developed. Since it was not, the only way to preserve SURS' reputation in this election is to deny the request.

Mr. Conry identified himself as an annuitant candidate and as a Professor Emeritus at the University of Illinois at Urbana-Champaign. Mr. Conry stated that the rule indicated that the only contact a candidate could have with the electorate was through the 250 word statement that would be distributed to the candidates through the ballot mailing, and that SURS would in no way get involved with communicating with the electorate other than the sending of the ballots. He stated that allowing preferential treatment to some groups would be unfair. Mr. Conry further stated that changing the rules of the election at this point in the process would be unconscionable.

The Committee discussed the cost of a mailing. The group requesting the use of the mailing labels would be responsible for the cost. The cost for postage for the annuitants would be approximately \$16,000.

The Committee discussed the Blind Mailing Policy and the SURS Trustee Election Policy and whether the two are required to marry in order to allow a blind mailing for candidate endorsement.

Trustee Donovan stated that since a policy is in place that allows a blind mailing and applying the policy to this request does not violate any laws, the request should be granted.

Trustee Palmer expressed concern with the perception of fairness should either policy be changed at this time.

Ms. Burns stated that Public Act 96-0006 provided the Board with the authority to establish rules and conduct an election, regardless of their status as an outgoing Board. Revising the policy is within the jurisdiction of the Board. Ms. Burns noted that other Illinois funds have provided mailing labels in conjunction with their Board elections, which is appropriate so long as a confidentiality agreement is in place or a blind mailing process is followed.

Trustee Palmer asked what specifically was included in the SURS Trustee Election Policy concerning mailing. Ms. Boardman stated that the SURS Trustee Election Policy did not prohibit the use of a blind mailing. Mr. Jenkins commented that the SURS Board Election Policy does identify the use of SURS property and employee time as prohibited political activity. Mr. Jenkins clarified that the Blind Mailing Policy would only allow annuitant groups (which includes labor organizations) access to SURS membership through a blind mailing. The Blind Mailing Policy does not allow the same access to individuals. Mr. Jenkins suggested language amending the SURS Board Election Policy to include the same access for individuals. The Committee did not wish to make changes to either policy.

Mr. Jenkins asked the Committee whether the Blind Mailing Policy would apply to a request for a mass electronic mail message to SURS membership. The committee didn't address this issue.

After deliberation, consensus was reached that the Blind Mailing Policy does not constitute a violation of the SURS Trustee Election Policy. Therefore, no action was necessary and the Blind Mailing Policy will be applied as currently written. Trustee Palmer suggested that the new Board may want to consider these two policies for upcoming elections.

There being no further business to come before the Committee the meeting adjourned.

Respectfully submitted,

A handwritten signature in cursive script, reading "Judith A. Parker".

Ms. Judith A. Parker  
Secretary, Board of Trustees

JAP:ss