

**3300 North Central Avenue • PO Box 33910 • Phoenix, AZ 85067-3910 • Phone (602) 240-2000**

**4400 East Broadway Boulevard • Suite 200 • Tucson, AZ 85711-3554 • Phone (520) 239-3100**

**Toll Free Outside Metro Phoenix and Tucson 1 (800) 621-3778**

### **Arizona State Retirement System**

#### Paul Matson

*Director*

**AGENDA**

**NOTICE OF A COMBINED PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION**

**OF THE ARIZONA STATE RETIREMENT SYSTEM**

**OPERATIONS AND AUDIT COMMITTEE**

3300 North Central Avenue, 14th Floor Conference Room

Phoenix, AZ 85012

August 9, 2016

10:30 a.m.

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the Trustees of the Arizona State Retirement System (ASRS) Operations and Audit Committee (OAC) and to the general public that the ASRS OAC will hold a meeting open to the public on Tuesday, August 9, 2016, beginning at 10:30 a.m. Arizona Time, in the 14th Floor Conference Room of the ASRS office, 3300 North Central Avenue, Phoenix, AZ 85012. Trustees of the Committee may attend either in person or by telephone conference call.

This is a regularly scheduled meeting of the OAC; however, due to possible attendance by other ASRS Board Trustees, this meeting may technically become a meeting of the Board or one of its committees. Actions taken will be consistent with OAC governance procedures. Actions requiring Board authority will be presented to the full Board for final decision.

The Chair may take public comment during any agenda item. If any member of the public wishes to speak to a particular agenda item, they should complete a Request to Speak form indicating the item and provide it to the Committee Administrator.

Pursuant to A.R.S. § 38-431.03(A)(3), the ASRS OAC may vote to go into executive session, which will not be open to the public, for the purpose of obtaining legal advice on any item on the agenda.

This meeting will be teleconferenced to the ASRS Tucson office conference room at 4400 E. Broadway Boulevard, Suite 200, Tucson, Arizona 85711. The conference call to Tucson will be disconnected after 15 minutes if there are no attendees in the Tucson audience.

The agenda for the meeting is as follows:

1. Call to Order; Roll Call; Opening Remarks Mr. Jeff Tyne

OAC Chair

1. Approval of the Minutes of the May 27, 2016, Public Meeting of the OAC Mr. Jeff Tyne
2. Presentation, Discussion, and Appropriate Action Regarding an ASRS Risk Assessment of Agency Budget Administration and Human Resources Development Mr. Anthony Guarino

Deputy Director and Chief Operations Officer

Ms. Martha Rozen

Chief of Administrative Services

Ms. Lisa King

Strategic Planning Policy Analyst

1. Presentation, Discussion, and Appropriate Action Regarding the ASRS Compensation Strategies and Staffing Conditions for Fiscal Years 2016 and 2017 Mr. Anthony Guarino

Ms. Martha Rozen

Ms. Tracy Darmer

Human Resources Manager

1. Presentation, Discussion, and Appropriate Action Regarding ASRS Budget Related Topics Including:
2. Presentation of the ASRS Appropriated Budget and the ASRS Administrative and Investment Spending Plans for FY 2016 and FY 2017.
3. Presentation of the ASRS Appropriated and Continuously Appropriated Budget Request and the ASRS Administrative and Investment Spending Plan for FY 2018.

Mr. Paul Matson

Director

Mr. Anthony Guarino

Ms. Martha Rozen

Mr. Russ Levine

Procurement and Budget Manager

1. Presentation, Discussion, and Appropriate Action Regarding the ASRS Internal Audit Self-Assessment Mr. Anthony Guarino

Mr. Bernard Glick

Chief Internal Auditor

1. Presentation, Discussion, and Appropriate Action Regarding the Internal Audit Quarterly Update Mr. Anthony Guarino

Mr. Bernard Glick

1. Review of Recently Conducted Audits

* City of Nogales – Employer Audit
* Mohave Community College – Employer Audit
* Sacaton Elementary School District – Employer Audit
* Buckeye Elementary School District – Employer Audit

Mr. Anthony Guarino

Mr. Bernard Glick

1. Presentation, Discussion, and Appropriate Action Regarding ASRS Retiree Health Insurance Including:
   1. Philosophy and Goals
   2. Cost Allocation and Pricing Methodology Options
   3. Retrospective Rate Agreement and Distribution Methodology Options

Mr. Paul Matson

Mr. Anthony Guarino

Mr. Dave King

Assistant Director, Member Services Division

Mr. Frank Perri

Benefits Program Administrator

Mr. Brian Crockett

Sr. Strategic Planning Analyst

Mr. Tim Upson

Mercer Consultant

1. Requests for Future Agenda Items Mr. Jeff Tyne

Mr. Anthony Guarino

1. Call to the Public Mr. Jeff Tyne

Those wishing to address the ASRS Committee are required to complete a Request to Speak form before the meeting indicating their desire to speak.  Request to Speak forms are available at the sign-in desk and should be given to the Committee Administrator.  Trustees of the Committee are prohibited by A.R.S. § 38-431.01(G) from discussing or taking legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.  As a result of public comment, the Committee Chair may direct staff to study and/or reschedule the matter for discussion and decision at a later date.

1. Adjournment of the OAC

A copy of the agenda background material provided to the OAC Trustees (with the exception of material relating to possible executive sessions) is available for public inspection at the ASRS offices located at 3300 North Central Avenue, 14th Floor, Phoenix, Arizona and 4400 East Broadway Boulevard, Suite 200, Tucson, Arizona. The agenda is subject to revision up to 24 hours prior to meeting. These materials are also available on the ASRS website (https://www.azasrs.gov/web/BoardCommittees.do) approximately 48 hours prior to the meeting.

Persons(s) with disabilities may request a reasonable accommodation such as a sign language interpreter or alternate formats of this document by contacting Tracy Darmer, ADA Coordinator at (602) 240-5378 in Phoenix, at (520) 239-3100, ext. 5378 in Tucson or 1-800-621-3778, ext. 5378 outside metro Phoenix or Tucson. Requests should be made as early as possible to allow time to arrange the accommodations.

Dated August 3, 2016

ARIZONA STATE RETIREMENT SYSTEM

*Signed Copy on File* *Signed Copy on File*

Melanie Alexander Anthony Guarino

Committee Administrator Deputy Director and Chief Operations Officer