



ARIZONA STATE RETIREMENT SYSTEM

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*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

February 14, 2017
10:30 a.m.

Pursuant to A.R.S. § 38-431.02(F), 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, February 14, 2017, 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
2. Approval of the Minutes of the December 13, 2016, Public Meeting of the OAC
..... Mr. Jeff Tyne

- 3. Presentation, Discussion, and Appropriate Action Regarding the Internal Audit Quarterly Update Mr. Anthony Guarino
Deputy Director and Chief Operations Officer
..... Mr. Bernard Glick
Chief Internal Auditor

Regarding the following agenda item, pursuant to A.R.S. § 38-431.03(A)(2), the ASRS OAC may vote to go into executive session, which will not be open to the public, for the purpose of considering or discussing records exempt by law from public inspection.

- 4. Presentation, Discussion, and Appropriate Action Regarding Enhanced Long Term Disability Review and Investigative Procedures..... Mr. Paul Matson
Director
..... Mr. Dave King
Assistant Director, Member Service Division
..... Ms. Julie Lockwood
Program Administrator
..... Mr. Frank Perri
Benefits Program Administrator

- 5. Presentation, Discussion, and Appropriate Action Regarding ASRS Retiree Health Insurance Including:
 - a. Goals
 - b. Cost Allocation and Pricing Methodology Options
 - c. Retrospective Rate Agreement and Distribution Methodology Options..... Mr. Paul Matson
..... Mr. Anthony Guarino
..... Mr. Dave King
..... Mr. Frank Perri
..... Mr. Brian Crockett
Sr. Strategic Planning Analyst
..... Ms. Denise Jewell
Mercer Consultant

- 6. Requests for Future Agenda Items..... Mr. Jeff Tyne
..... Mr. Anthony Guarino

- 7. Call to the Public Mr. Jeff Tyne

Those wishing to address the ASRS OAC 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(H) 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.

8. The next regular public OAC meeting is scheduled for Tuesday, April 11, 2017, at 10:30 a.m., at 3300 N. Central Avenue, in the 14th Floor Conference room, Phoenix, Arizona.

9. 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/content/board-and-committee-meetings>) 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 February 8, 2017

ARIZONA STATE RETIREMENT SYSTEM

Signed Copy on File

Melanie Alexander
Committee Administrator

Signed Copy on File

Anthony Guarino
Deputy Director and Chief Operations Officer