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3   NEW YORK CITY TEACHERS' RETIREMENT SYSTEM

4   BOARD MEETING

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6

7   Held on Thursday, December 19, 2019, at 55 Water

8   Street, New York, New York

9

10   ATTENDEES:

11   DEBRA PENNY, Chairperson, Trustee

12   DAVID KAZANSKY, Trustee

13   THOMAS BROWN, Trustee

14   JOHN ADLER, Trustee

15   SUSANNAH VICKERS, Trustee

16   NATALIE GREEN-GILES, Trustee

17   VALERIE BUDZIK, Teachers' Retirement System

18   PATRICIA REILLY, Teachers' Retirement System

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20   REPORTED BY:

21   YAFFA KAPLAN

22   JOB NO. 4467984

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 2    ATTENDEES (Continued):

 3      KAVITA KANWAR, Teachers' Retirement System

 4      SUSAN STANG, Teachers' Retirement System

 5      ANNETTE HANHARAN, Teachers' Retirement System

 6      LIZ SANCHEZ, Teachers' Retirement System

 7      ANDREW BRADFORD, Teachers' Retirement System

 8      ANTHONY MEZZACAPPA, Teachers' Retirement System

 9      ROBERT BETHELMY, Teachers' Retirement System

10      RENEE PEARCE, Teachers' Retirement System

11      ISAAC GLOVINSKY, Teachers' Retirement System

12      PAUL RAUCCI, Teachers' Retirement System

13      MARTA ROSS, ESQ., Law Department

14      SHERRY CHAN, Office of the Actuary

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1	Proceedings
2	MS. REILLY: Good afternoon. Welcome to
3	the Teachers' Retirement Board meeting of
4	December 19, 2019. I will start by calling
5	the roll. John Adler.
6	MR. ADLER: I am here.
7	MS. REILLY: Thomas Brown?
8	MR. BROWN: Here.
9	MS. REILLY: Natalie Green-Giles?
10	MS. GREEN-GILES: Here.
11	MS. REILLY: David Kazansky?
12	MR. KAZANSKY: Present.
13	MS. REILLY: Lindsey Oates? Russell
14	Buckley? Debra Penny?
15	MS. PENNY: Here.
16	MS. REILLY: Susannah Vickers?
17	MS. VICKERS: Here.
18	MS. REILLY: We have a quorum. So next
19	on the agenda is an update on TRS operations,
20	given to us by Kavita Kanwar.
21	MS. KANWAR: Thank you, Patricia. TRS
22	is completing the processing of required
23	minimum distributions or RMDs for the tax year
24	2019. RMDs are paid to certain retirees who
25	are maintaining their TDA accounts but have

1	Proceedings
2	reached age 70 and a half. About 16,600
3	retirees will receive their distribution in
4	December of this year. About two-thirds of
5	these are members who did not make a specific
6	choice about how to receive the distribution
7	but are required to receive payment by the
8	year end. About 1,000 beneficiaries who
9	participate in our TDA B program will also
10	receive RMDs this month.
11	On January 1, 2020, a new plan year goes
12	into effect for Tier 6 members, which means
13	their pension contribution rate may change.
14	Based on the rules governing Tier 6, TRS has
15	reviewed and updated salary and wage
16	information for all Tier 6 members, and
17	approximately 9,900 will have a new rate
18	starting in January. Earlier in December, TRS
19	conducted an e-mail campaign to members about
20	our TDA program. Over 130,000 members
21	received messages encouraging participation
22	and mentioning the new contribution limits for
23	the year 2020. Thank you.
24	MS. REILLY: Thank you, Kavita. Next on
25	the agenda is the executive director's report,

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1                    Proceedings

2          and the first item on the report is the matter

3          of the next meeting.  It's been suggested that

4          the next regular meeting of the Teachers'

5          Retirement Board be held on the fifth Thursday

6          of the month, January 30, 2020.  So everyone

7          should mark their calendar.

8               Next is a resolution, authorization to

9          the Comptroller of the City of New York to

10         invest certain QPP funds.

11              MR. KAZANSKY:  Please waive the reading.

12              MS. REILLY:  Debra, I think we need a

13         vote.

14              MS. PENNY:  Is there a motion?

15              MR. KAZANSKY:  So moved.

16              MS. PENNY:  Is there a second?

17              MR. ADLER:  Second.

18              MS. PENNY:  All those in favor?  Aye.

19              MR. ADLER:  Aye.

20              MR. BROWN:  Aye.

21              MS. GREEN-GILES:  Aye.

22              MR. KAZANSKY:  Aye

23              MS. VICKERS:  Aye.

24              MS. PENNY:  Any opposed?  Any abstain?

25         Motion carries.
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 1                    Proceedings

 2          MS. REILLY:  Next is the resolution,

 3      authorization to the Comptroller of the City

 4      of New York to invest certain tax-deferred

 5      annuity funds.

 6          MR. KAZANSKY:  Please waive the reading.

 7          MS. PENNY:  Is there a motion?

 8          MR. KAZANSKY:  So moved.

 9          MS. PENNY:  Thank you.  Is there a

10      second?

11          MR. BROWN:  Second.

12          MS. PENNY:  All those in favor?  Aye.

13          MR. ADLER:  Aye.

14          MR. BROWN:  Aye.

15          MS. GREEN-GILES:  Aye.

16          MR. KAZANSKY:  Aye

17          MS. VICKERS:  Aye.

18          MS. PENNY:  Any opposed?  Okay, motion

19      carries.

20          MS. REILLY:  Next is an extension of

21      participation in the Common Investment

22      Meeting.

23          MR. KAZANSKY:  Please skip to the

24      resolved.

25          MS. REILLY:  "Resolved, the Teachers'
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 1                  Proceedings
 2       Retirement Board extends for a one-year period
 3       its participation in the Common Investment
 4       Meeting as described on and separate to the
 5       conditions of the Board's 2015 and 2016 CIM
 6       resolutions, and be it further resolved
 7       nothing in this resolution shall abrogate any
 8       rights or waive any responsibilities reserved
 9       for the Board of Trustees under applicable
10       law".
11            MS. PENNY:  Is there a motion?
12            MR. ADLER:  So moved.
13            MS. PENNY:  Is there a second?
14            MR. KAZANSKY:  Second.
15            MS. PENNY:  All those in favor?  Aye.
16            MR. ADLER:  Aye.
17            MR. BROWN:  Aye.
18            MS. GREEN-GILES:  Aye.
19            MR. KAZANSKY:  Aye
20            MS. VICKERS:  Aye.
21            MS. PENNY: Any opposed?  Motion
22       carries.
23            MS. REILLY:  Next is the Emerging Market
24       Company Review Policy.
25            MR. KAZANSKY:  Again, please skip to the
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 1                    Proceedings
 2        resolved.
 3             MS. REILLY:  "Resolved, that the Board
 4        adopts the attached Emerging Market Company
 5        Review Policy, and be it further resolved that
 6        in furtherance of the Emerging Market Company
 7        Review Policy, within 90 days of submission to
 8        the Board of reports from the ESG Review
 9        Vendors, staff and an independent investment
10        consultant will submit to the Board
11        recommended criteria as specified in the
12        policy to facilitate consideration of
13        identified financial and reputational risks;
14        and resolved that the Interim Public Emerging
15        Market Policy will remain in place until
16        further action by the Board".
17             MS. PENNY:  Thank you.  Is there a
18        motion?
19             MS. VICKERS:  So moved.
20             MS. PENNY:  Thank you.  Is there a
21        second?
22             MR. KAZANSKY:  Second.
23             MS. PENNY:  Is there any discussion on
24        this?  Are we all good with it?  Okay.  All
25        those in favor?  Aye.
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1                    Proceedings

2            MR. ADLER:  Aye.

3            MR. BROWN:  Aye.

4            MS. GREEN-GILES:  Aye.

5            MR. KAZANSKY:  Aye

6            MS. VICKERS:  Aye.

7            MS. PENNY:  Any opposed?  Motion

8     carries.

9            MS. REILLY:  Okay.  Next is the

10    calendar.  And it's the approval of the

11    minutes for the month of October 3rd

12    investment meeting minutes, October 30th board

13    meeting minutes, November 7th investment

14    meeting minutes, November 20th CIM minutes,

15    and November 21st board meeting minutes.

16           MS. PENNY:  Thank you.  Is there a

17    motion to approve all of the minutes of those

18    meetings?

19           MR. BROWN:  So moved.

20           MS. PENNY:  Thank you.  Is there a

21    second?

22           MS. VICKERS:  Second.

23           MS. PENNY:  All those in favor?  Aye.

24           MR. ADLER:  Aye.

25           MR. BROWN:  Aye.
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1	Proceedings
2	MS. GREEN-GILES: Aye.
3	MR. KAZANSKY: Aye
4	MS. VICKERS: Aye.
5	MS. PENNY: Any discussion? All those
6	opposed? Okay. Motion carries.
7	MS. REILLY: So for the rest of the
8	calendar, the Board has received an electronic
9	version of the calendar.
10	MR. KAZANSKY: You can waive the
11	reading.
12	MS. REILLY: Thank you. So just a
13	motion.
14	MS. PENNY: Is there a motion to adopt
15	it?
16	MR. BROWN: So moved.
17	MS. PENNY: Is there a second?
18	MS. VICKERS: Second.
19	MS. PENNY: All those in favor? Aye.
20	MR. ADLER: Aye.
21	MR. BROWN: Aye.
22	MS. GREEN-GILES: Aye.
23	MR. KAZANSKY: Aye
24	MS. VICKERS: Aye.
25	MS. PENNY: Any opposed? Motion

1	Proceedings
2	carries. We have adopted the calendar.
3	MS. REILLY: Next under other business
4	is a presentation by Kavita on data
5	governance.
6	MS. KANWAR: Good afternoon. My name is
7	Kavita Kanwar, and I am going to be presenting
8	to you our formal data governance program, how
9	we are going about establishing it. So as
10	part of the agenda, we are going to be
11	defining the term "data governance", some of
12	the expected value of, proposition from the
13	data governance program. How are we going
14	about developing the overall program and our
15	current status, where are we with this
16	program?
17	So data governance is needed because
18	data and information are what we rely on to do
19	our jobs on a day-to-day basis, service our
20	members, and report to our stakeholders. We
21	need policies and procedures in place to make
22	sure that we are managing it correctly. So
23	data governance is the exercise of
24	authoritarian control, which is basically
25	planning, managing, and enforcement of our

1	Proceedings
2	data asset. So what you see on here on the
3	pie chart are the ten knowledge areas that are
4	prescribed by the Data Management Association,
5	which is also known as DAMA, which is
6	basically the practices of the formal data
7	governance program.
8	Data governance is very central to all
9	our technical and system related areas that
10	are involved in the capture and flow of data
11	within the organization. So procedures are
12	required in each of these areas to support our
13	policies when it comes to safeguarding our
14	data. Understanding the need for better data
15	governance, TRS has made it part of its
16	strategic vision. So some of the objectives
17	for the overall data governance program are
18	safeguarding the integrity of its data as a
19	critical asset, reduce the costs associated
20	with addressing the data problems, increase
21	the organization's shared understanding of its
22	data, and enable effective decision making
23	regarding the structure and content, the
24	content during our agency's modernization
25	effort and thereafter for our regular

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 1                    Proceedings

 2        operations.

 3              So one of the key parts of the data

 4        governance is to establish an authoritative

 5        data dictionary.  So TRS data dictionary is an

 6        online, easily accessible repository that

 7        includes a catalog of all the data elements

 8        used by the various databases by the TRS

 9        applications.  The TRS data dictionary allows

10        the linkages of business terms to the

11        technical terms and leads to a shared

12        understanding of data terminology both on the

13        technical side as well as on the business

14        side.  The dictionary is a key tool for

15        self-service reporting and understanding

16        system impacts when the business rules change

17        or the applications are modified.

18              So in here what we see is an example.

19        So "In-service member" is a very commonly used

20        term here at TRS.  And what the slide tries to

21        present is that one area of the organization I

22        may assume that in-service member is somebody

23        who is actively engaged in day-to-day work,

24        reports to work every day, whereas some other

25        area may be thinking that an in-service member
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 1                    Proceedings

 2        is somebody who is in active service as well

 3        as somebody who is on leave.  So the question

 4        is how do we come to a resolution wherein

 5        everybody understands this term in the right

 6        way or what should be the right way?  So the

 7        data governance program lays down the process

 8        that will enable the organization to achieve

 9        this shared understanding.  They will bring

10        all the departments involved to collaborate

11        and come to the common definition.

12             So in this case you see how we did come

13        to a common acceptable definition to all the

14        different areas, and it is somebody --

15        actually an in-service member is somebody who

16        is actively working as well as is on leave of

17        up to seven years.  So that's the acceptable

18        definition across the organization.  So the

19        group that includes the data governance

20        organization is basically the data governance

21        program manager that we represent data from

22        areas from different departments.  They are

23        called data stewards as well as IT data

24        managers who are also commonly referred to as

25        data custodians, and they will all meet
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1   Proceedings

2   together to craft the definition and come to a

3   consensus and approve the publication to the

4   TRS data dictionary. So data governance

5   organization is also responsible for ongoing

6   maintenance of this, and if any updates are

7   needed, they will be coming together again to

8   ensure that, you know, we come to a common

9   consensus.

10   So another part of data governance is to

11   formulate policies and procedures. So in this

12   slide basically what we are seeing is that

13   address information is a key component for

14   applying data governance. So the data

15   governance policy regarding address data helps

16   us to ensure that the data quality and

17   completeness is achieved for a person's

18   address. So what is demonstrated on this

19   slide is that data is coming into TRS through

20   different sources. So some of the sources

21   could be employers sending us data feeds such

22   as DOE, CUNY, and charter schools, or the

23   member could be themselves entering this

24   information using our member portal. So one

25   of the elements of address field is the state

1	Proceedings
2	data. So in here what is being demonstrated
3	is the State of New York is being provided in
4	many different formats. As you can see here,
5	somebody is using a short form. Some other
6	source would be using different cases for
7	providing that information, but once we apply
8	the data standardization process and
9	procedures to that intake of the feeds and as
10	the data is coming into our databases, it
11	ensures consistency.
12	So when we are bringing in this data,
13	it's coming in as this is New York, which is
14	what is being shown, and that's how we are
15	bringing it into our database. So this is the
16	data standardization process. Another
17	example. So further building on that is how
18	we -- in here we are demonstrating that along
19	with the data standardization, we are also
20	validating data, so that's another of the
21	procedure that gets applied. And what the
22	data validation procedure is trying to
23	accomplish is ensure completeness and accuracy
24	of the data. So on the address field there
25	are certain -- under address data there are

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 1                    Proceedings
 2          certain fields that are required.  So like
 3          address line one, the city, state are required
 4          feeds and the ZIP code.  So when the data is
 5          reported and again being brought in through
 6          the data feeds, we are ensuring that we are
 7          validating those pieces of information and
 8          only bringing it once they conform to the
 9          validation groups, which would be that it
10          should be filled out, that it should be in a
11          certain format, and that it should be
12          reported.  You know, it could be validating
13          with external sources like Melissa data in
14          kind of trying to standardize, so what's going
15          to come through is what's feeding our
16          standard, which is one of the examples.  The
17          other one where it's incomplete is going to
18          actually fall out as an exception and those
19          exceptions would be brought back to the source
20          of the information which could be an employer
21          in this case could be DOE or CUNY or the
22          charter school and they are required to fix
23          that data and resolve it before we can bring
24          it into our system.
25                    So once the data is complete,
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1	Proceedings
2	standardized and accurate, reporting of data
3	becomes very easy. As a member centric
4	organization, this furthers our goal of
5	achieving operational excellence. That is
6	through straight-through processing and
7	providing member satisfaction by having
8	complete and timely information. So it
9	eventually results in efficient operations.
10	So ensuring the proper management of
11	data is essential to our mission of providing
12	exceptional service to our members. The cost
13	of that data can impact all operational areas
14	of our organization and we get a better handle
15	on our liabilities and impact of changes made
16	when the data and how it's used through our
17	system is clear and consistent.
18	So putting things in perspective, and to
19	appreciate the complexity of instilling a
20	formal data governance program and a culture
21	of data stewardship and data ownership through
22	the organization, just want to give you some
23	numbers. So there are about 3,000-plus
24	technical terms that are in the scope of the
25	overall program. You know, in our new system

1	Proceedings
2	and old system, which are being defined as
3	part of this program, there are about 800-plus
4	business terms in various business glossaries
5	across all the departments at TRS as part of
6	this effort. And the total volume of data
7	that we are talking about is about 3-plus
8	terabytes, and in relative terms, if we were
9	to cut 150,000 trees and make paper out of
10	that and print on those pieces of paper,
11	that's the amount of information we are
12	talking about when we say 3-plus terabytes of
13	information.
14	MS. CHAN: So 50,000 per terabyte.
15	MS. KANWAR: So in terms of our current
16	status. Right now, during the course of
17	post-modernization, we are in the process of
18	defining and establishing the data and how
19	it's being managed and how as we proceed into
20	the post-modernization phase TRS will be
21	basically optimizing the data governance
22	program and then proactively controlling,
23	maintaining our data using all those policies
24	and procedures.
25	So that's all I have. Any questions?

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1                    Proceedings

2             MS. REILLY:  Thank you.  Next on the

3       agenda is comments from the public.  Seeing

4       none, do I hear a motion to move into

5       executive session?

6             MR. BROWN:  I move pursuant to Public

7       Officers Law Section 105 to go into executive

8       session for discussions regarding specific

9       contract matters.

10            MS. PENNY:  Thank you, Mr. Brown.  Do I

11      hear a second?

12            MS. VICKERS:  Second.

13            MS. PENNY:  All those in favor to go

14      into executive session, please say aye.  Aye.

15            MR. ADLER:  Aye.

16            MR. BROWN:  Aye.

17            MS. GREEN-GILES:  Aye.

18            MR. KAZANSKY:  Aye

19            MS. VICKERS:  Aye.

20            MS. PENNY:  Thank you.  Any opposed?  We

21      are in executive session.

22      (Whereupon, the meeting went into Executive

23      Session.)

24            MS. PENNY:  Is there a motion to come

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 1                    Proceedings

 2        out of executive session?

 3             MR. BROWN:  So moved.

 4             MS. PENNY:  Thank you, Mr. Brown.  Is

 5        there a second?

 6             MS. GREEN-GILES:  Second.

 7             MS. PENNY:  Thank you, Ms. Giles.  All

 8        those in favor?  Aye.

 9             MR. ADLER:  Aye.

10             MR. BROWN:  Aye.

11             MS. GREEN-GILES:  Aye.

12             MR. KAZANSKY:  Aye

13             MS. VICKERS:  Aye.

14             MS. PENNY:  Any opposed?  Okay.  We are

15        out of executive session and back to public

16        session.  Welcome back.  Is there any other

17        matters?

18             MS. REILLY:  Susan is going to read out

19        what happened in executive session.

20             MS. STANG:  Exactly.  A contract matter

21        was discussed.  Consensus was reached, which

22        will be announced at the appropriate time.

23        Another contract matter was discussed.  A vote

24        was taken, the results of which will be

25        announced at the appropriate time.
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 1                    Proceedings

 2            MS. REILLY:  Thank you.

 3            MS. PENNY:  Thank you, Susan.  Now, are

 4       there any other matters?  Okay.  Is there a

 5       motion?

 6            MS. VICKERS:  Motion to adjourn.

 7            MS. PENNY:  Thank you.  Is there a

 8       second?

 9            MR. KAZANSKY:  Second.

10            MS. PENNY:  Thank you.  All those in

11       favor?  Aye.

12            MR. ADLER:  Aye.

13            MR. BROWN:  Aye.

14            MS. GREEN-GILES:  Aye.

15            MR. KAZANSKY:  Aye

16            MS. VICKERS:  Aye.

17            MS. PENNY:  Any opposed?  We stand

18       adjourned.

19            MR. BROWN:  Happy holidays.

20            (Time noted: 4:11 p.m.)

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2   C E R T I F I C A T E

3   STATE OF NEW YORK   )

4   : ss.

5   COUNTY OF QUEENS   )

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7   I, YAFFA KAPLAN, a Notary Public

8   within and for the State of New York, do

9   hereby certify that the foregoing record of

10   proceedings is a full and correct

11   transcript of the stenographic notes taken

12   by me therein.

13   IN WITNESS WHEREOF, I have hereunto

14   set my hand this 1st day of January,

15   2020.

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17   _____

18   YAFFA KAPLAN

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