

DRAFT

**CASH MANAGEMENT AND INVESTMENT OVERSIGHT COMMISSION
EXECUTIVE REVIEW COMMITTEE OF THE COMMISSION**

**May 9, 2013
Special Meeting
Minutes**

The Executive Review Committee (ERC) of the Cash Management and Investment Oversight Commission (CMOIC) held a Special Meeting on May 9, 2013 at 10:00 am in Room 122, State Capitol Building.

Roll Call:

Members Present:

Ms. Lynne Bajema, (Chair) State Comptroller, OSF
Ms. Rhonda Bruno, Designee for Mick Thompson, Oklahoma Banking Dept.
Mr. Irving Faught, Administrator, Oklahoma Securities Commission

Others Attending:

Mr. David Kinney, Office of Attorney General
Ms. Sue MacHugh, Oklahoma State Treasurer
Ms. Janis Nelsen, Legislative Service Bureau
Ms. Susan Nicewander, Oklahoma State Treasurer
Mr. Craig Sanger, Oklahoma State Treasurer

Item 1

Chair Bajema called the meeting to order and declared a quorum present.

Item 2

Acknowledgement of March 4, 2011 minutes. No action taken.

Item 3

Chair Bajema confirmed the March 2013 Treasurer's report was received on April 17, 2013. No action was taken.

Item 4

The Executive Review Committee of the Commission discussed the Oklahoma State Treasurer's (OST) office proposed destruction of transaction records request for the period of 1991 to 2007. The vault in the OST's office has been housing all of the trades and they are trying to make space. OST proposed to destroy:

- matured original trades prior to FY07
- matured original trades from FY07 going forward, after being scanned and stored electronically;
- electronic audio recordings of investment bidding transactions prior to FY07.

Sherian Kerlin, Director of Portfolio Accounting and Reporting for the State Treasurer's office, estimates that through 2007, there are 2,615 trades which calculates out to approximately 40,000 pieces of paper. Beginning in fiscal year 2012, all of the current trades in the current portfolio are being scanned. Mr. Faught questioned that the Executive Review Committee is the final arbitral on whether OST transaction records can be destroyed and said he would like to see a legal opinion. Ms. Bruno asked if they had considered going back and scanning the old records. Ms. Nicewander replied that they would put together a cost estimate on what storage and scanning would cost. Mr. Faught asked OST for a report on exactly what documents are in a transaction record. He would like to know if there are other standards in the brokerage industry that might be relevant.

Mr. Kinney is going to look in to the legal opinion on what other statutes might override the statute requiring the ERC to approve the destruction of OST's transaction records. He stated that the archive records would be the first one to comply with and any specific statutes dealing with the Treasurer's office would follow. He will check to see what the auditors are comfortable with and call Teachers Retirement and/or OPERS and find out how they do their trades and how long they keep them.

If all information is received by June 14, 2013, a Special Meeting will be held on that day, at 9:00 am to review.

Item 5

No new business.

Item 6

Ms. Bruno moved to adjourn the meeting and the motion was seconded by Mr. Faught. The motion passed with Bruno, Faught and Bajema voting yes.

DRAFT

Chair