Exhibit A

BOARD OF TRUSTEES FOR THE MARYLAND TEACHERS & STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS MINUTES OF THE March 24, 2014 MEETING

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The Board of Trustees of the Maryland Teachers & State Employees Supplemental Retirement Plans convened at 9:38 a.m. on March 24, 2014 in Baltimore. A quorum was present.

Members Present
Ms. T. Eloise Foster
Ms. Sabrina Bass
Ms. Margaret Bury
Treasurer Nancy Kopp
Mr. Wilson Parran
Ms. Christina Wyskiel
Ms. Marcia Zercoe

Representatives and Guests
Mr. Michael Halpin, Staff
Ms. Lara L. Hjortsberg, Board Counsel
Ms. Debra Roberts, Staff
Mr. Richard Arthur, Staff
Ms. Angela Anderson, Staff
Ms. Anna Marie Smith, Staff
Mr. David Belnick, Nationwide Retirement Solutions
Mr. Claude Gregory, Financial & Reality Services, LLC
Ms. Emily Boccuzzi, Segal Rogerscasey
Mr. John DeMairo, Segal Rogerscasey
Ms. Carrie Callahan, Galliard Capital Management
Ms. Taylor Benson, Galliard Capital Management
Mr. William Weber, Galliard Capital Management
Mr. Philip Harris, FIRM (guest)
Mrs. Paola Beltran, FIRM (guest)

I. Chairperson's Remarks

Upon motion duly made and seconded, the minutes of the regular meeting of the Board of Trustees held on January 27, 2014 (Exhibit A) were unanimously approved.

II. Administrator's Report & Marketing Plan Update

Before beginning the regular Administrator's report, Mr. David Belnick distributed follow-up information with respect to two questions from the previous meeting regarding (1) contributions of annual leave payments by employees terminating employment with the State and (2) a trend analysis of accounts not receiving deferrals. With respect to the first issue, he noted that unused leave balance payments for 2013 totaled $4.6 million, with an average of $12,500 per leave check being contributed to the Plans by these employees. For the trend analysis, Mr. Belnick noted that since 2009 (the end of the match), the accounts not receiving deferrals and the number of participants not deferring had both remained consistent. Mr. Belnick concluded this portion of his presentation by following up on another question previously posed by the Board regarding the number of participants contributing the maximum. He noted that the auto-max program, in which participants authorize automatic increases to their contributions when the contribution limits are increased by law, currently had 866 auto-max forms on file.

Mr. Belnick proceeded to the Administrator's report for the fourth quarter of 2013 (Exhibit B). He first noted that new deposits, renewal deposits and transfers-in had all increased during 2013, which was the first year in which there were increases in all areas during his tenure with the Plans. Assets for the year ended December 31, 2013 were $3.19 billion, an increase in assets of approximately $452 million since the fourth quarter of 2012. He reported that contributions in 2013 increased by approximately $931,000 since the fourth quarter of 2012. He reviewed the allocation of assets and contributions in the Plans, noting that fixed income and cash were down 4.4% as a percentage of assets and down 3.5% as a percentage of contributions, both as compared to the fourth quarter of 2012; the retirement date funds experienced an increase of 1.5% as a percentage of assets and an increase of 4.1% as a percentage of contributions, both as compared to the fourth quarter of 2012. Mr. Belnick then reviewed the mutual fund reimbursements for the fourth quarter and year-to-date. He reported on participant account activity for the fourth quarter, noting slight decrease from the third quarter of 2013 and a decrease of 686 participants from the fourth quarter of 2012. He closed the administrative portion of the presentation with a comparison of distributions and contributions for the fourth quarter of 2013, noting that there were no significant changes in the number of participants receiving deferrals. He pointed out a 6.5% increase in the number of participants in payout. He further noted that distributions had outpaced contributions by $36 million for the year ended December 31, 2013. He also stated that contributions of $174 million were the highest since the end of the match in 2009.

Mr. Belnick then proceeded to the marketing update, stating that the overall plan participation rate was 74.62% of eligible employees, with 44.18% of participants actively deferring. He noted that the eligible participant number will increase to 77,763 with the next report based on a new calculation of State employees not in higher education alternative programs and that the Board should expect to see an effect of this new number on the participation rate starting with the next report. He continued to the NRS RS/Customer Service Production Summary, noting that there were 2,612 total new enrollments for 2013 and contribution increase activity by 5,809 participants (15% and 12% increases from 2012, respectively). Mr. Belnick then presented the loan and hardship analysis, noting that loans for 2013 were $31.37 million, an increase of $7 million from 2012. He reported that hardship withdrawals were 2,647 for 2013, an increase of 452 over the year 2012.

Mr. Belnick provided the field update and rollover report for the quarter, and then noted an MBE participation rate of 21% for 2013.

III. Investment Advisors' Reports:

A. Segal Rogerscasey

Mr. John DeMairo provided the fourth quarter performance report (Exhibit C). Mr. DeMairo highlighted the following:

- Total assets at December 31, 2013 were $3.2 billion, an increase of approximately $160 million from the third quarter of 2013.
- Stable value was the single largest investment option, representing 27% of the market value in the Plans; active options accounted for 37%; passive options accounted for 21%; and the life cycle funds accounted for 13%.
- Active core and passive core options represented approximately two-thirds and one-third, respectively, of the total core options in the Plans.
- The life cycle funds received 25% of the contributions to the Plans; and large cap equity was allocated 25%.
- Most of the active core options performed better than the median ("red light-green light analysis").
- On a peer-to-peer basis, 8 of the 10 active core options were above median for the 1 and 5 year periods; and 7 of the 10 were above median for the 3 year period.
- The return spread for the life cycle funds was approximately 17%, which was the same spread experienced in 2009 but with higher absolute numbers.
- With respect to the Morgan Stanley Institutional Trust, it was noted that the Investment Committee's report would include a recommendation to remove this fund from the Watch List, as the fund's return was over 38% for 2013. If this recommendation is approved by the Board, the Plans would have no investment options on the Watch List.

Mr. Halpin noted that an April meeting with T. Rowe Price was being planned to discuss the life cycle funds. Mr. DeMairo also noted that Segal was reviewing the glide paths of the life cycle funds and would present a report to the Board at the August meeting. He updated the Board on the search work from the biennial study including, among others, a global tactical asset allocation fund and consolidation of two Vanguard passive options. In response to a request to comment on T. Rowe Price prior to the meeting, Mr. DeMairo noted international exposure of only 15% of total equity exposure and expressed no major concerns.

B. Galliard Capital Management

Ms. Taylor Benson provided an overview of the report regarding the transition of management for the investment contract pool ("ICP") to Galliard Capital Management (Exhibit D). She noted that Galliard had assumed management of the ICP effective February 3, 2014, and that the process had been successful. She explained that Galliard was recommending changing to ICP to a daily valuation, which is more in line with the industry standard and is intended to address the variation inherent in a monthly declared rate. The implications of the change were discussed in detail with the Investment Committee at its meeting immediately preceding the Board meeting.

Mr. William (Billy) Weber then presented the ICP performance report for the periods ended February 28, 2014, during which he highlighted the following points:

- Assets under management were $790 million and net participant cash flows were -$10.33 million for the 3-month period, -$4.86 million YTD and -$15 million for the 1-year period.
- The ICP was comprised of 5 issuers, 4 of which are traditional wrapper contract issuers and 1 of which is a GIC (guaranteed investment contract) issuer.
- The monthly declared rate (net of fees) was 1.6%; the March declared rate decreased 3 bps (basis points) to 1.57%.
- Market-to book ratio was 101.6%.

Mr. Weber provided additional explanation regarding the change to the daily NAV (Net Asset Value) methodology. He noted that Galliard had taken over as valuation agent and moved from the Bank of New York STIF (Short Term Investment Fund) to the Wells Fargo STIF, which resulted in a savings of 20 bps, and that the change to a daily rising NAV would also result in a 2 bps savings on the Prudential wrapper contract.

IV. Staff Reports

A. Finance

Ms. Roberts delivered the agency Budget Analysis and Variance Report (Exhibit E) for the eight months ended February 28, 2014. She noted that fiscal year-to-date revenues were $492,382, which is $426,105, or 46.97%, less than budget. She attributed the significant variance in the revenue figure to the Board-approved fee holiday, which had ended at the end of 2013. Ms. Roberts noted that expenditures were $1,008,005, which is $21,875, or 2.12%, less than budget. She explained each of the favorable and unfavorable variances for the expenditure line. She noted a reserve balance of $332,113, as compared to a balance at June 30, 2013 of $851,487, noting that this decrease was intentional and attributing it to the Board-approved fee holiday.

B. Field Services

Ms. Anderson presented the field staff report (Exhibit F), which included samples of "First Steps to Retirement Planning" and "Building Wealth 101" flyers, as well as a summary and results of Team MSRP's EZ enrollment process and feedback from State Agency benefit coordinators.

V. Committee Reports

A. Audit Committee

No report at this time.

B. Investment Committee

Ms. Zercoe noted that based on the report received from Segal during the Investment Committee meeting and alluded to by Mr. DeMairo during his report earlier in the Board meeting, the Investment Committee recommended that Morgan Stanley Institutional Trust be removed from the Watch List. Upon motion, duly made and seconded, the Board approved this change.

C. Executive Committee

No report at this time.

VI. Board Secretary's Report

Mr. Halpin gave a brief report on recent activity. He noted the following:

- An MSRP field employee had resigned, with such resignation to be effective the following week. MSRP would need to obtain a hiring freeze exemption and begin recruiting to fill this vacant position.
- The budget hearings were generally positive and included a discussion of the match program and when it might be funded again. Mr. Halpin expressed his thanks to Ms. Foster for testifying for the agency.
- The Step-by-Step initiative was a tentative success after only seven weeks, with 40 forms received to date, two-thirds of which were actual enrollments.
- Roth deposits totaled $8.3 million, as compared to the previous year total of $4.3 million. Mr. Halpin explained that Roth enrollments were not covered by the EZ enrollment form because of the more complex tax implications of a decision to use the Roth feature.

VII. Board Counsel's Report

No report at this time.

VIII. New Business

No new business was presented for discussion.

IX. Adjournment

There being no further business, a motion to adjourn was entered at 11:05 a.m., seconded and carried unanimously.