

MINUTES  
OF THE  
INVESTMENT POLICY COMMITTEE  
HELD  
THURSDAY, SEPTEMBER 26, 2013 – 2:00 P.M.

IPC  
II.

Present: Committee Members

Devon Bruce  
Roderick Bashir  
Michele Bush  
John Casey

Board Members

James Clayborne  
Steve Powell  
Mary Seminara-Schostok

Staff

Andrew Armonaitis  
William Atwood  
Johara El-Harazin  
Tim Kominiarek  
Scott Richards  
Linsey Schoemehl  
Lorna Scott  
Alise White

Guests

Marquette Associates  
Brian Wrubel, Kelli Schrade, Dave Smith, Neil  
Capps, Catherine Hickey  
Franklin Park  
Brad Atkins  
Chicago Equity Partners  
Pat Lynch, Mike Millhouse, Curt Mitchell  
Ironbridge Capital Management  
Chris Faber, Jeff Madden  
Mesirow Financial  
Erik Barefield, Marty Kaplan, Richard Price  
Standish Mellon Asset Management  
Alex Kozhemiakin, Daniel Lass

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**ROLL CALL**

Chairman Bruce called the meeting to order at 2:15 p.m. The Secretary called the roll and noted that a quorum was present.

**MINUTES OF PREVIOUS MEETING**

Ms. Bush moved to approve the minutes of the Investment Policy Committee meeting held June 20, 2013, in the form previously submitted. Mr. Bashir seconded and the motion passed unanimously.

**INVESTMENT MANAGER PRESENTATIONS**

Chicago Equity Partners ("Chicago Equity")

Messrs. Lynch, Millhouse, and Mitchell, Chicago Equity, were invited to join the meeting. Following introductions, written copies of the presentation were distributed. Following review and answering questions posed by the Members, the Chicago Equity representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contain attachment.)

Ironbridge Capital Management ("Ironbridge")

Messrs. Faber and Madden, Ironbridge, were invited to join the meeting. Following introductions, written copies of the presentation were distributed. Following review and answering questions posed by the Members, the Ironbridge representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contain attachment.)

Mesirow Financial ("Mesirow")

Messrs. Barefield, Kaplan, and Price, Mesirow, were invited to join the meeting. Following introductions, written copies of the presentation were distributed. Following review and answering questions posed by the Members, the Mesirow representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contain attachment.)

**UPDATE ON THE STATUS OF THE RFP FOR EMERGING MARKET SMALL CAP EQUITY**

Director Atwood advised the Members that the RFP for Emerging Market Small Cap Equity will be issued on September 30, 2013; the finalist(s) are scheduled to present to the Committee at its December meeting.

**RFP FINALIST PRESENTATION: EMERGING MARKET FIXED INCOME**

Standish Mellon Asset Management, LLC ("Standish")

Messrs. Kozhemiakin and Lass, Standish, were invited to join the meeting. Following introductions, written copies of the presentation were distributed. Following review and answering questions posed by the Members, the Standish representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contain attachment.)

Chairman Bruce stated that the Committee would go into Executive Session to discuss specific investment manager contracts (5 ILCS 120/2(c)(7)). Mr. Powell moved to go into Executive Session for the above-stated purposes. Ms. Bush seconded and the motion passed unanimously.

Guests and Staff were excused from the meeting with the exception of Director Atwood, Messrs. Kominiarek, Richards, and Wrubel, and Mses. El-Harazin, Schoemehl, Scott and White.

Mr. Powell moved to return to Open Session. Ms. Bush seconded and the motion passed unanimously. Upon returning to Open Session, Mr. Casey moved to (i) terminate Ironbridge and (ii) retain Standish, consistent with the recommendation provided by Marquette. (Official minutes contain attachment.) Mr. Powell seconded and the motion passed unanimously.

***ASSET ALLOCATION CHANGES (HEDGE FUND MANDATES): MARQUETTE***

Mr. Wrubel referred Members to the memorandums titled "Current Hedge Fund Composite" and "Adage Intermediate Vehicle," respectively, and reviewed. (Official minutes contain attachments.) Ms. Bush moved to revise the investment guidelines for the Board's hedge fund-of-fund managers (RockCreek, Entrust, and Mesirow) consistent with the recommendation provided by Marquette. Mr. Bashir seconded and the motion passed unanimously.

***PRIVATE EQUITY PRESENTATION: FRANKLIN PARK***

Mr. Atkins, Franklin Park, was invited to join the meeting to present private equity trends to the Members in partial satisfaction of the Board's fiduciary training requirement. Following review and answering questions posed by the Members, the Franklin Park representative thanked the Members for their time and excused himself from the meeting. (Official minutes contain attachment.)

***UNFINISHED BUSINESS***

None.

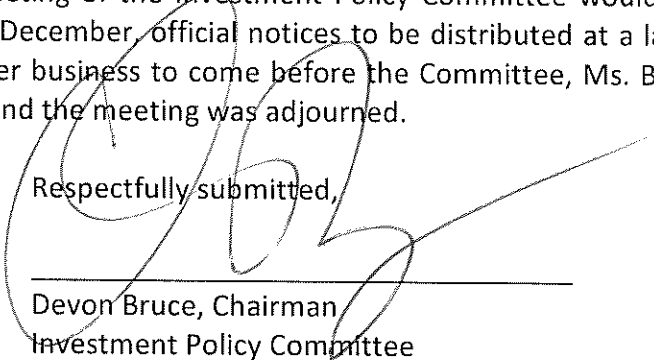
***NEW BUSINESS***

None.

***NEXT MEETING AND ADJOURNMENT***

Chairman Bruce stated that the next meeting of the Investment Policy Committee would be scheduled prior to the Board meeting in December, official notices to be distributed at a later date. At 4:45 p.m., there being no further business to come before the Committee, Ms. Bush moved to adjourn. Mr. Bashir seconded and the meeting was adjourned.

Respectfully submitted,

  
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Devon Bruce, Chairman  
Investment Policy Committee

