

MINUTES OF THE
EMERGING MANAGER COMMITTEE
MEETING HELD
FRIDAY, DECEMBER 5, 2014 – 9:00 A.M.

Present:

<u>Committee Members</u>	James Clayborne Rod Bashir Michele Bush Mary Seminara-Schostok Judy Baar Topinka (via telephone)
<u>Board Members</u>	Devon Bruce
<u>Staff</u>	Andrew Armonaitis William Atwood Genette Bacon-Cordova Johara Farhadieh Tim Kominiarek Tondalaya Lewis-Hozier Katherine Novel Scott Richards Alise White
<u>Guests</u>	Marquette Associates Brian Wrubel, Dave Smith, Kelli Schrade, Nichole Roman-Bhatty and Grey Leonberger Ariel Capital Management LLC John W. Rogers, Jr. David Maley, Dan Hynes Appomattox Susan Webb, Oscar Gil, Drienne Benner Aurora Roxanne Martino, Anne Marie Morley, Priya Parrish, Isabelle Perrault RockCreek Afsaneh Beschloss, Kathleen Kennedy Townsend, Siddarth Sudhir, James Mitchell

Absent:

<u>Committee Members</u>	Dan Rutherford
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ROLL CALL

Chairman Clayborne called the meeting to order at 9:08 a.m. Ms. Lewis-Hozier called the roll and noted a quorum was present.

Chairman Clayborne motioned to allow Comptroller Topinka to participate in the meeting via telephone due to an illness. Ms. Bush seconded and the motion passed unanimously.

MINUTES OF PREVIOUS MEETING

Mr. Bashir moved to approve the minutes of the Emerging Manger Committee meeting held September 26, 2014 in the form previously submitted. Justice Schostok seconded and the motion passed unanimously.

REPORT OF THE EMERGING MANAGER COMMITTEE CHAIRMAN

Nothing to report.

MANAGER PRESENTATION: ARIEL INVESTMENTS ("Ariel")

Mssers. Rogers, Maley and Hynes, Ariel, referred Members to the presentation "Slow & Steady Wins the Race", previously distributed, and reviewed. (Official minutes contain attachments). Following review of materials and answering questions posed by the Members, the Ariel representatives thanked the Members for their time and excused themselves from the meeting.

RFP FINALIST: EMERGING AND MINORITY HEDGE FUND OF FUNDS

Ms. Farhadieh gave a brief synopsis of the firm search process and the qualifications of each finalist.

Appomattox

Mses. Webb, and Benner and Mr. Gil, Appomattox, were invited to join the meeting. Following review of materials previously distributed and answering questions posed by the Members, the Appomattox representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contain attachments).

Aurora Investment Management, LLC ("Aurora")

Mses. Martino, Morley, Parrish, and Perrault, Aurora, were invited to join the meeting. Following a review of materials previously distributed and answering questions posed by the Members, the Aurora representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contact attachment.)

The Rock Creek Group ("Rock Creek")

Mssers. Sudhir and Mitchell and Mses. Beschloss and Kennedy Townsend, Rock Creek, were invited to joined the meeting. Following a review of materials previously distributed and answering questions posed by the Members, the Rock Creek representatives thanked the Members for their time and excused themselves from the meeting. (Official minutes contain attachments).

Mr. Bashir moved to go into Executive Session to discuss specific investment manager contracts as a result of the hedge fund-of-funds search (5 ILCS 120/2(c)(7)). Justice Schostok seconded and the motion passed unanimously.

Following return to Open Session, Marquette agreed to work with Appomattox and Rock Creek to have each firm submit a plan to the Board in February that includes a highly customized diversity focus with a push to have brokers be more diverse.

REPORT OF THE CONSULTANT: MARQUETTE ASSOCIATES

Performance Report- September 2014

Mr. Wrubel, Marquette Associates, referred Members to the Emerging & Minority Program Review report, which was previously distributed, and reviewed. (Official minutes contain attachment.)

REPORT OF THE CONSULTANTS' INTERNSHIP PROGRAM

Ms. Farhadieh referred Members to the memoranda previously distributed and reviewed. There were no questions from the Members. (Official minutes contain attachment.)

IMPLEMENTATION OF PUBLIC ACT 98-1022

Ms. Farhadieh reviewed the memorandum regarding implementation of Public Act 98-1022, as previously distributed. Following discussion, Ms. Bush moved to approve the revised Vendor Disclosure Policy and Procurement Policy, as set forth in the memorandum. Mr. Bashir seconded and the motion passed unanimously. (Official minutes contain attachment.)

UNFINISHED BUSINESS

None

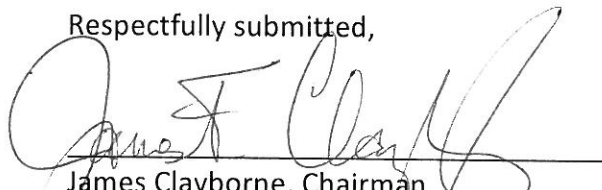
NEW BUSINESS

None

NEXT MEETING AND ADJOURMENT

Chairman Clayborne stated that the next meeting of the Emerging Manager Committee would be scheduled at a time convenient for ISBI. Director Atwood stated that a special meeting would be scheduled for the first week in February, date and time to be confirmed at a later date. At 11:00 a.m., there being no further business to come before the Committee, Mr. Bashir moved to adjourn the meeting. Ms. Bush seconded and the meeting was adjourned.

Respectfully submitted,



James Clayborne, Chairman
Emerging Manager Committee

