

**MINUTES OF THE
EXECUTIVE COMMITTEE
MEETING HELD
WEDNESDAY, MARCH 30, 2016 – 9:00 A.M.**

Present: **Committee Members** **Marc Levine
Mark Cozzi
Shari Greco Reiches
Justice Mary Seminara-Schostok (via telephone)**

Staff **William Atwood
Johara Farhadieh
Tondalaya Lewis-Hozier**

Guests **Burke Burns & Pinelli, Ltd.
Mary Patricia Burns
Sarah Boeckman**

**State Treasurer’s Office
Jay Rowell**

ROLL CALL

Chairman Levine called the meeting to order at 9:20 a.m. Ms. Lewis-Hozier called the roll and noted that a quorum was present. Trustee Cozzi moved pursuant to Section 7(a) of the Open Meetings Act to allow Justice Schostok to participate via telephone due to her absence as a result of matters relating to her employment.

CONSIDERATION AND APPROVAL OF MINUTES

Following review of the March 9, 2016 minutes of the Executive Committee, Trustee Reiches moved that the March 9, 2016 minutes of the Executive Committee be approved. Trustee Cozzi seconded and the motion passed unanimously.

CONSIDERATION AND APPROVAL OF RFP CRITERIA

Ms. Farhadieh discussed the process utilized by Staff in reviewing responses to ISBI's Request for Competitive Proposals ("RFP") and distributed a memorandum, "RFP Criteria Review By Staff for Investment Consultant Searches," to the Members. Ms. Burns stated that ISBI's Investment Policy and Procurement Policy requires Staff to vet RFP responses and to prepare a recommendation for the Board. Justice Schostok noted the importance of Staff's recommendation of RFP finalists to assist the Board in fulfilling its fiduciary duties. Ms. Burns stated it was prudent for the Committee to approve an objective scoring mechanism for Staff to utilize in the RFP vetting process.

Ms. Burns outlined ISBI's procurement process. She stated that the Board first approves the issuance of a RFP and the scope of services to be included in the RFP. At that time, the Board enters a "quiet period" in which Members are prohibited from discussing the RFP with potential respondents. ISBI Staff then posts the RFP on ISBI's website as well as other State and national periodicals as required in ISBI's Procurement Policy. Ms. Burns stated that Staff then reviews the responses to the RFP and prepares a report recommending certain finalists to be interviewed by the Board at a subsequent meeting. Trustee Cozzi noted the importance of the interviews in the vetting process and stated that Trustees should be invited to participate in the initial interviews prior to the finalists presenting before the Board. Ms. Burns stated that is a best practice amongst pension funds to allow all Board Members the opportunity to participate in interviews conducted by Staff prior to the RFP finalists presenting before the Board. Ms. Farhadieh noted that Staff engages ISBI's Investment Consultant to assist in the initial vetting of the RFP responses and throughout the RFP process. Mr. Rowell raised his concern regarding the consistency of Staff's vetting and the lack of specifics involved in the vetting process. Ms. Faradieh noted that Staff will rely on the metrics established in the "RFP Criteria Review By Staff for Investment Consultant Searches," including reviewing the make-up of a respondent's organization, the respondent's investment process, the respondent's familiarity with Illinois statutes and governance, proposed fees and other metrics included in the "RFP Criteria Review By Staff for Investment Consultant Searches." Following the scoring of the RFP responses, Ms. Faradieh stated that Staff would interview semi-finalists and invite Members of the Board to participate in the interviews of semi-finalists prior to the finalists presenting to the Board. Following additional discussion amongst the Members, Trustee Reiches moved to approve the "RFP Criteria Review by Staff for Investment Consultant Searches." Trustee Cozzi seconded and the motion passed unanimously.

CONSIDERATION AND APPROVAL OF GENERAL COUNSEL JOB DESCRIPTION

Ms. Burns referred Members to the "General Counsel Job Description." (Official Minutes contain attachment). Ms. Burns noted that all Board Members should distribute the "General Counsel Job Description" to potential candidates. Trustee Cozzi noted the importance of requiring five years of transactional experience in the General Counsel Job Description. Ms. Burns stated that the General Counsel search process would be led by Director Atwood and Ms. Burns. Following discussion amongst the Members, Trustee Reiches moved to approve the General Counsel Job Description. Chairman Levine seconded and the motion passed unanimously.


PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

At 10:55 a.m., there being no further business to come before the Committee, Trustee Reiches moved to adjourn. Trustee Cozzi seconded and the motion passed unanimously.

Respectfully submitted,



William Atwood, Executive Director