

**MINUTES OF THE SPECIAL MEETING OF THE  
ILLINOIS STATE BOARD OF INVESTMENT**

Tuesday, August 21, 2018 - 8:30 a.m.  
180 N. LaSalle St., Suite 2015  
Chicago, IL 60601

Present:

Board Members

Chairman Marc Levine  
Senator James Clayborne  
Comptroller Susana Mendoza  
Ezequiel Flores  
Treasurer Michael Frerichs  
Katherine Hennessy (via telephone)  
Shari Greco Reiches  
Stacey Woehrle  
Justice Mary Seminara-Schostok

Staff

Dipesh Mehta

Guests

Burke Burns & Pinelli, Ltd.  
Mary Patricia Burns

Illinois State Comptroller's Office  
Chasse Rehwinkel  
Kathleen Stralka  
Lauren Peters

Illinois State Treasurer's Office  
Rodrigo Garcia  
Allen Mayer

## ***ROLL CALL***

Chairman Levine called the meeting to order at 8:34 a.m. in the Boardroom of the Illinois State Board of Investment office at 180 North LaSalle Street, Suite 2015, in Chicago. Mr. Mehta called the roll and noted that a quorum was present.

## ***REPORT OF THE CHAIR***

None.

## ***DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTIVE DIRECTOR/CHIEF INVESTMENT OFFICER CONTRACT***

At 8:34 a.m., Justice Schostok moved to go into Executive Session pursuant to Section 2(c)(1) of the Open Meetings Act to discuss specific personnel. Trustee Reiches seconded, and the motion was called to a roll call vote. All in favor: Trustees Flores, Reiches, Hennessy, Levine, Frerichs, Woehrle, Mendoza and Schostok. Nays: None. The motion passed unanimously.

At 9:08 a.m., Senator Clayborne moved to return to the open meeting. Justice Schostok seconded, and the motion passed unanimously.

Comptroller Mendoza emphasized her support for Ms. Farhadieh in the position of Executive Director/Chief Investment Officer but noted her concern that the Board failed to conduct a competitive search process for the position. Comptroller Mendoza also expressed concern with certain terms of the proposed employment contract, including the automatic salary increases over the length of the contract term. Comptroller Mendoza noted that as a fiduciary she could not support the motion to approve the proposed employment contract. Treasurer Frerichs noted similar concerns with the process. Several Trustees emphasized their support for Ms. Farhadieh including her good rapport with Trustees and Staff and knowledge of the industry. Trustees also emphasized the importance of continuity, promoting from within and maintaining years of ISBI institutional knowledge in the position of Executive Director/Chief Investment Officer.

Chairman Levine moved to approve the proposed employment contract with Ms. Farhadieh, Senator Clayborne seconded. A roll call vote was held. All in favor: Trustees Woehrle, Levine, Clayborne, Reiches, Hennessy, Schostok, and Flores. Nays: Trustees Frerichs and Mendoza

## ***CONSIDERATION AND APPROVAL OF APPOINTMENT TO ILLINOIS INVESTMENT POLICY BOARD***

Ms. Farhadieh discussed the need to appoint a representative to the Illinois Investment Policy Board per Section 1-110.16(b) of the Illinois Pension Code. She recommended Mr. Mehta be the Board-appointed representative.

Chairman Levine moved to approve the appointment of Dipesh Mehta to the Illinois Investment Policy Board as the Board's representative pursuant to Section 1-110.16(b) of the Illinois Pension Code. Trustee Woehrle seconded, and the motion passed unanimously. Not Present: Trustees Mendoza and Hennessy.

## ***NEW BUSINESS/OLD BUSINESS***

None.

***PUBLIC COMMENT***

None.

***NEXT MEETING AND ADJOURNMENT***

Chairman Levine noted that the next meeting will take place on September 20-21, 2018. At 9:25 a.m., there being no further business to come before the Board, Trustee Reiches moved to adjourn the meeting. Trustee Flores seconded, and the meeting was adjourned.

Respectfully submitted,



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Dipesh Mehta, General Counsel  
and Chief Compliance Officer