

**MINUTES OF THE
INVESTMENT POLICY COMMITTEE**

Wednesday, September 27, 2023 – 12:25 P.M.
180 N. LaSalle St., Suite 2015
Chicago, IL 60601

Present:

<u>Committee Members</u>	Committee Chairman Michael Tarnoff Gisela Attlan Matthew Brewer Elizabeth Sanders Justice Debra Walker
<u>Board Members</u>	Board Chairman Terrence Healy Treasurer Micharl Frerichs Senator Robert Martwick Comptroller Susana Mendoza
<u>Staff</u>	Genette Bacon-Cordova Mary Cahill Michelle Choi Johara Farhadieh Jennifer Koelle Kawing Lee Samantha McHugh Dipesh Mehta Scott Richards David Schneider Dan Sekera Atul Talwar
<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman Franklin Park Associates Brad Atkins Hamilton Lane Advisors Matt Silverio Meketa Investment Group, Inc. Frank Benham

Gloria Hazard

State Employees' Retirement System
Tim Blair (via audio conference)

ROLL CALL

Committee Chairman Tarnoff called the meeting to order at 12:35 p.m. at the Illinois State Board of Investment office, 180 N. LaSalle St., Suite 2015, Chicago. Pursuant to the Board Bylaws, Board Chairman Healy appointed Trustee Brewer to the Investment Policy Committee. Mr. Mehta called the roll and noted that a quorum was present.

REPORT OF THE INVESTMENT POLICY COMMITTEE CHAIR

None.

CONSIDERATION AND APPROVAL OF MINUTES

Trustee Walker moved to approve the minutes from the June 22, 2023 meeting of the Investment Policy Committee. Trustee Atflan seconded, and the motion passed unanimously, with Trustee Brewer abstaining.

Trustee Walker moved to approve and keep closed the Executive Session minutes, as presented, from the June 22, 2023 meeting of the Investment Policy Committee, pursuant to the recommendation of Fiduciary Counsel. Trustee Atflan seconded, and the motion passed unanimously, with Trustee Brewer abstaining.

INVESTMENT SNAPSHOT ENDING JUNE 30, 2023

Ms. Farhadieh presented the Investment Snapshot, describing ISBI's performance in relation to its policy benchmark and peer group. Ms. Farhadieh also reviewed ISBI's asset allocation, liquidity, MWDBE manager utilization, and risk/return profile. Trustee Tarnoff provided additional information on the risk/return analysis and thanked the ISBI staff for their work. There were no questions.

REPORTS BY STRATEGIC PARTNERS & GENERAL CONSULTANT – HAMILTON LANE ADVISORS, FRANKLIN PARK ASSOCIATES, AND MEKETA INVESTMENT GROUP; REPORT OF EXECUTIVE DIRECTOR/CHIEF INVESTMENT OFFICER AND SENIOR INVESTMENT OFFICER

At 12:45 p.m., Trustee Walker moved to go into Executive Session pursuant to Section 2(c)(7) of the Open Meetings Act to discuss specific investments and investment contracts. Trustee Atflan seconded, and the motion was put to a roll call vote. All in favor: Committee Chairman Tarnoff, Trustee Brewer, Trustee Walker, Trustee Atflan, and Trustee Sanders. The motion passed unanimously.

At 2:18 p.m., Trustee Walker moved to return to the open meeting. Trustee Attlan seconded, and the motion was put to a roll call vote. All in favor: Committee Chairman Tarnoff, Trustee Brewer, Trustee Walker, Trustee Attlan, and Trustee Sanders. The motion passed unanimously.

Trustee Walker moved that the committee approve the Asset Allocation Policy and revised policy benchmarks as discussed on the record, including any necessary steps for implementation, consistent with the recommendation of Meketa Investment Group and ISBI staff. The revised policy benchmarks are: for Private Equity, the Cambridge Associates PE & VC benchmark; for Multi-Sector Credit, the ICE BofA High Yield Index; and for Private Credit, 50% ICE BofA High Yield and 50% CSFB Leveraged Loan Index with a premium of 150 basis points. Trustee Brewer seconded, and the motion passed unanimously.

Trustee Attlan moved that the committee, consistent with the recommendation of ISBI Staff, approve the extension to the General Consultant Agreement, as presented. Trustee Walker seconded, and the motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

None.

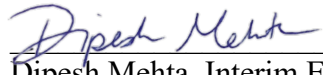
PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

Committee Chairman Tarnoff noted that the next meeting was tentatively scheduled for December 15, 2023. At 2:19 p.m., there being no further business to come before the committee, Trustee Walker moved to adjourn the meeting. Trustee Sanders seconded, and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in blue ink that reads "Dipesh Mehta". The signature is written in a cursive style with a horizontal line extending to the right across the signature.

Dipesh Mehta, Interim Executive
Director/Chief Investment Officer