

**AGENDA ITEM 2.**

**APPROVAL OF MINUTES OF THE APRIL 15, 2021  
JOINT MEETING OF THE  
ILLINOIS STUDENT ASSISTANCE COMMISSION,  
INVESTMENT COMMITTEE AND THE INVESTMENT ADVISORY PANEL**

**Submitted for:** Action

**Summary:** This report includes the minutes of the investment related items of the joint meeting of the Investment Committee, Investment Advisory Panel, and the Commission held on April 15, 2021

**Action requested:** That the Investment Advisory Panel approve the minutes of the April 15, 2021 meeting as incorporated into the full Commission minutes

**MINUTES OF THE  
JOINT MEETING OF THE ILLINOIS STUDENT ASSISTANCE COMMISSION  
THE INVESTMENT COMMITTEE AND THE INVESTMENT ADVISORY PANEL**

**VIDEO CONFERENCE  
Instruction to be provided by ISAC.org**

**April 15, 2021  
1:00 p.m.**

**COMMISSIONERS PRESENT via WebEx:**

Kevin Huber, Commissioner, Board Chair, Investment Committee Member  
Maureen Amos, Commissioner, Investment Committee Member  
James Hibbert, Commissioner, Investment Committee Member  
Niketa Brar, Commissioner, Audit Chair and Committee Member  
Elizabeth Lopez, Commissioner, Vice Chair, Audit Committee Member  
Darryl Arrington, Commissioner, Audit Committee Member  
Franciene Sabens, Commissioner  
Jonathon Bullock, Commissioner  
Thomas Dowling, Commissioner  
Emma Johns, Student Commissioner

**INVESTMENT ADVISORY PANEL MEMBERS PRESENT via WebEx:**

James Hibbert, Investment Advisory Panel Member  
Chasse Rehwinkel, Investment Advisory Panel Member  
Rodrigo Garcia, Investment Advisory Panel Member  
Cameron Mock, Investment Advisory Panel Member

**INVESTMENT ADVISORY PANEL MEMBERS ABSENT:**

Jeanna Cullins, Investment Advisory Panel Member  
Louis Paster, Investment Advisory Panel Member  
Karen Kissel, Investment Advisory Panel Member

**STAFF PRESENT via WebEx:**

Eric Zarnikow, Executive Director  
Carol Cook, Director, Program Services and Compliance  
Shana Rogers, Managing Director, RPPA  
Katherine Gricevich, Director, Government Relations  
Shoba Nandan, Chief Financial Officer  
Wendy Funk, Managing Director, Accounting and Finance

**STAFF PRESENT cond't:**

Kishor Desai, Chief Internal Auditor  
Carmen Heredia, Chief Investment Officer  
Roger Rojas, Investment Officer  
Lynn Baker, Managing Director, Communications  
Karen Salas, General Counsel  
Gloria Legette, Deputy General Counsel  
Ellen Greenan, Senior Research Associate, RPPA  
Kim Eck, Manager, Partner Services  
Jackie Eckley, Asst Director, Program Communication Service  
Christy Shields, Director, Program & Product Services  
Muniba Hasnain, Program Services and Compliance Staff  
Eddie Brambila, Managing Director Capacity Development  
Jacqueline Moreno, Managing Director, College Access and Outreach  
Kalene Heaton, Professional Development Specialist  
Meghan Chrum, Professional Development Specialist  
Harikumar Pillai, Manager, Information Security  
Michael Wilder, Telecom and Network Engineer  
Natalie Wandall, Secretary to Commission  
Lisa Murphy-Coveny, Staff Attorney  
Anne Hunter, Deputy Director, Financial Reporting  
Marisa Lowe, Deputy Director, Budget & Financial Analysis  
Vicki Baba, Director, HRD

**PUBLIC ATTENDANCE via WebEx:**

Brianne Weymouth, Callan LLC  
James O'Connor, Callan LLC  
Eric Hiatt, University of Illinois  
Maria Amill  
Justin Slaughter  
Debra Jackson  
Jennifer Tracy  
Michelle Hasik  
Corinne Kodama  
[tdrosear@caspn.edu](mailto:tdrosear@caspn.edu)  
Call in User 2

The joint meeting of the Illinois Student Assistance Commission, the Investment Committee and the Investment Advisory Panel was called to order at 1:07 p.m.

Mr. Zarnikow, ISAC's Executive Director, began by explaining that the meeting is being conducted through electronic means pursuant to Governor Pritzker's extension of the Gubernatorial COVID-19 Disaster Proclamation and Public Act 101-0640 which suspends the Open Meetings Act requirements for physical presence at meetings of public bodies during gubernatorial disaster proclamations.

Mr. Zarnikow advised that it is not practical or prudent to conduct the meeting in person or at the usual meeting location in downtown Chicago due to the COVID-19 disaster, so the meeting was conducted virtually.

He further stated that, as with all ISAC public meetings, a specific time is reserved in the agenda for public comment.

He explained that the applicable law requires a roll call for every vote and gave Commission members the relevant instructions.

He indicated that there would be a verbatim recording of the whole meeting, open and closed session, as required by law.

WebEx instructions, including those for public comment, were provided by Meghan Chrum.

Mr. Zarnikow then turned the meeting over to Commissioner Huber who called for a roll call of the of the Commission. A roll call of the Commission members was taken, and a quorum was established.

Commissioner Huber called for a roll call of the of the Investment Committee. A roll call of the Investment Committee members was taken, and a quorum was established.

Commissioner Huber called for a roll call of the of the Investment Advisory Panel. A roll call of the Investment Advisory Panel members was taken, and a quorum was established.

### **Item 1. Announcements**

Commissioner Huber announced that the next regularly scheduled joint meeting of the Commission and the Investment Committee will be on Thursday June 17, 2021. The joint meeting will begin at 1:00 p.m. The Audit Committee is scheduled that same day at 11:00 a.m. In addition, the Investment Committee is scheduled to meet individually on May 13, 2021. Currently the meetings are scheduled to be held virtually and notice will be provided if there are any changes.

**Item 2. Approval of Minutes (Action)**

**Item 2A. Approval of the Minutes of the March 18, 2021 Investment Committee Meeting (Action: Investment Committee)**

Commissioner Amos **MOVED THAT** the Investment Committee approve the minutes of the March 18, 2021 Investment Committee meeting. Commissioner Hibbert seconded the motion and a roll call was taken which was unanimously approved by the Investment Committee.

**Item 2B. Approval of the Minutes of the October 22, 2020 Investment Advisory Panel Meeting (Action: Investment Advisory Panel)**

Commissioner Hibbert **MOVED THAT** the Investment Advisory Panel approve the minutes of the October 22, 2020 Investment Advisory Panel meeting. Panel Member Rehwinkel seconded the motion and a roll call was taken which was unanimously approved by the Investment Advisory Panel.

**Item 2C. Approval of the Minutes of the December 3, 2020 Joint Commission/Investment Meeting (Action: Commission)**

Commissioner Sabens **MOVED THAT** the Commission approve the minutes of the December 3, 2020 joint meeting. Commissioner Arrington seconded the motion and a roll call was taken which was unanimously approved by the Commission.

**Item 3. College Illinois! Prepaid Tuition Program Update (information)**

Mr. Zarnikow reported that the funding appropriated in FY21 budget was less than Governor's proposal and resulted in an increase of the overall amount required to fund the unfunded liability of the College Illinois! Program. He advised that the Governor's FY22 budget includes \$20 million to fund the unfunded liability of the program over time. Although the proposed amount will not fund the program completely, ISAC is hopeful that the funding could be increased as a result of the recent passage of President Biden's omnibus bill.

**Item 4. College Illinois! Prepaid Tuition Program Investments**

**Item 4A. Investment Update (Information)**

Ms. Heredia gave a 2020 financial markets overview and covered the College Illinois! Prepaid Tuition Program characteristics such as the investment risk profile, portfolio liquidity and performance. She continued with a portfolio review of the public markets' portfolio performance as well as the open-end funds. She addressed the positive trends in the market's improvement after the steep drop at the outset of the pandemic. Ms. Heredia then referred to the placement of Ativo on the Watch List by the Investment Committee in

its March 18, 2021 meeting. She reported that the investment staff continues to closely monitor existing managers' performance and investment process.

Mr. Rojas reviewed the private markets investment portfolio noting the outstanding risks (which he stated were primarily infrastructure assets) and the current and projected realizations. Mr. Rojas added that investment staff had an in-depth discussion with Callan, the program's investment consultant, regarding the private assets exit alternatives. He stated that consistent with investment staff's recommendations, Callan's recommendation is to hold the assets rather than engage in secondary sale options. Mr. Rojas reviewed the Asset Allocation, Status Updates and Search Update sections as provided in the agenda book. Mr. Rojas highlighted that they are in the process of completing the asset liability study with the assistance of Callan.

**Item 4 B. Investment Advisory Panel Comments (Information)**

Mr. Rojas reviewed the roles and responsibilities of the Investment Advisory Panel and its focus on the Investment Policy and the Annual Report. He noted that members of the Panel receive copies of Investment Committee agenda materials and are invited, but not required, to attend these meetings. He noted that, in compliance with the requirement of the Prepaid Tuition Act to meet at least twice annually, the panel met in a joint meeting with the Commission on April 28, 2020 and independently on October 22, 2020. He expressed appreciation for the valuable input provided by the panel members over the years. Mr. Rojas then asked the Panel if there were any questions or concerns that they would like to share with the Commission. No comments were provided by the Panel to the Commission.

Seeing no further business to come before the Commission, Chair Huber asked for a motion to adjourn. Commissioner Arrington **SO MOVED** and Commissioner Johns seconded that motion. A roll call was taken, which was unanimously approved by the Commission.

The meeting adjourned at approximately 3:18 p.m.

Respectfully submitted,

Lisa Murphy-Coveny