



**MINUTES**  
**Rules and Personnel Committee**  
**May 20, 2016**

A meeting of the Rules and Personnel Committee of the Board of Trustees of the Illinois Teachers' Retirement System was held on May 20, 2016 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. Mark Bailey, Chair, called the meeting to order at 9:20 a.m. A quorum was present.

Roll call attendance was taken with the following committee members present: Mark Bailey (Chair), Rainy Kaplan, Cinda Klickna, and Sonia Walwyn. Absent: Mike Busby (Vice Chair),

Trustees present: Ann Deters, Sandy Stuart, Bob Lyons, and Tony Smith.

Others present: Dick Ingram, Executive Director; Stan Rupnik, Chief Investment Officer; Ken Musick, Sr. Investment Officer; Marcy Dutton, Chief Legal Counsel; Cynthia Fain, Sr. Legal Counsel; Jana Bergschneider, Chief Financial Officer; Tom Smith, Chief Technology Officer; Gina Larkin, Chief Human Resources Officer; Sally Sherman, Chief Benefits Officer; Kathleen Farney, Director of Research; Stacy Smith, Director of Internal Audit; Tassi Maton, Sr. Internal Auditor; Christina Baker, Internal Auditor; Dave Urbanek, Director of Communications; Deron Bertolo, Director of Investment Operations; Rich Frankenfeld, Director of Outreach; Tammy Green, Assistant to the Executive Director; Sue Billington, Executive Assistant; Becky Gratsinger, RV Kuhns (Investment Consultant); Andrew Bodewes (Legislative Consultant); and Pat O'Hara, Cavanagh & O'Hara (Fiduciary Counsel).

Visitors present: Don Davis, IRTA; Will Lovett, IEA; Gayla Dial, IEA-R; and Jason Parks, Loop Capital.

**PUBLIC COMMENT** – There were no public comments.

**APPROVAL OF MINUTES**

A draft of the February 17, 2016 minutes of the Rules and Personnel Committee meeting was sent to the trustees for prior review. On a motion by Trustee Kaplan, seconded by Trustee Walwyn, the minutes were approved as presented.

### Standing Committees 2016-2017

The committee discussed and presented nominations for the FY 17 standing committee assignments. A motion was made by Rainy Kaplan, seconded by Sonia Walwyn, that the committee recommend to the Board to accept the FY 17 standing committee roster, as presented. The motion passed by a unanimous voice vote.

**Vice President:** Cinda Klickna

**Investment Committee:** All trustees; Mike Busby-Chair; Bob Lyons-Vice Chair

**Audit Committee:** Bob Lyons-Chair; Mark Bailey-Vice Chair; Andy Hirshman; Ann Deters, and Randy Winters

**Legislative Committee:** Rainy Kaplan-Chair; Cinda Klickna-Vice Chair; Bob Lyons, Andy Hirshman, and Dan Winter

**Rules & Personnel Committee:** Mark Bailey-Chair; Mike Busby-Vice Chair; Rainy Kaplan, Cinda Klickna, and Sonia Walwyn

**Diversity Committee:** Mike Busby-Chair; Rainy Kaplan-Vice Chair; Bob Lyons, Sonia Walwyn, and Dan Winter

**Claims Hearing Committee:** Sonia Walwyn-Chair; Mark Bailey-Vice Chair; Dan Winter, and Rainy Kaplan (alternate)

### TRS Administrative Rules

Cynthia Fain, Sr. Legal Counsel, proposed the following revisions to TRS Administrative Rules. Documentation is on file.

#### Subpart F: Annuitants and Beneficiaries

Housekeeping update to Section 1650.530(a) to remove the requirement that power of attorney papers must be certified or original copies.

#### Repeal Subpart N: Payroll Deduction Program

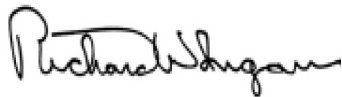
Due to IRS tax guidance, the payroll deduction program (PDP) was terminated and the rules governing administration of the program have become obsolete. Since Section 1650.1205 is not a PDP rule, the text will be relocated into Subpart E: Contribution Credits and Payments, as a new Section 1650.486.

Subpart P: Competitive Selection Procedures for Investment Services  
Per JCAR recommendation, new Section 1650.3017 was added – Candidate  
Profile for Investment Manager Searches.

A motion was made by Sonia Walwyn, seconded by Rainy Kaplan, that the committee recommend to the Board promulgate the proposed amendments through the JCAR process, as presented. The motion passed by a unanimous voice vote.

### **ADJOURNMENT**

On a motion by Rainy Kaplan, seconded by Cinda Klickna, and by unanimous voice vote, the meeting adjourned at 9:26 a.m.



Richard W. Ingram, Executive Director

Approved: 10/27/16