

**AGENDA ITEM 7B.**

**APPROVAL OF APPOINTMENT OF  
COLLEGE ILLINOIS!® PREPAID TUITION PROGRAM  
INVESTMENT ADVISORY PANEL MEMBER**

**Submitted for:** Action

**Summary:** The Illinois Student Assistance Commission administers the College Illinois! Prepaid Tuition Program (the “Program”) pursuant to authority granted under the Illinois Prepaid Tuition Act, 110 ILCS 979/1 *et seq.* (the “Act”). The Act requires the Commission to appoint a seven (7) member Investment Advisory Panel. The Investment Advisory Panel’s duties include:

- (1) offering advice and counsel to the Commission regarding Program investments with the objective of obtaining the best possible return on investments consistent with actuarial soundness of the Program;
- (2) annually reviewing and advising the Commission on the Program’s Statement of Investment Policy; and
- (3) reviewing and advising the Commission with regard to the annual report that describes the current financial condition of the Program.

Of the Investment Panel’s seven members, one (1) is recommended by each of the following: State Treasurer, State Comptroller, Director of Governor’s Office of Management and Budget (GOMB), and Executive Director of the Board of Higher Education. The Commission is responsible to appoint all seven Investment Advisory Panel members, four recommended as described above and the remaining three that are selected by the Commission. Each panel representative serves a three (3) year term. The Act requires each panel member to possess knowledge, skill and experience in at least one of the following areas of expertise: accounting, actuarial practice, risk management or investment management.

**Mr. Louis Paster** has agreed to continue serving on the Investment Advisory Panel and ISAC staff is recommending his reappointment. He has served on the Panel since July 2011 and has provided valuable assistance during his tenure. A summary of his biography follows.

*Louis Paster has been with UBS Financial Services Inc. for more than 20 years. He is the Senior Vice President – Investments, Corporate Cash management Group. He focuses on portfolio management by providing separately managed fixed income investment solutions for corporations and family home offices. With more than 20 full-time investment professions, he and his team work diligently and collaboratively to build strategies*

*designed to help clients pursue specific goals and objectives as set forth by their investment policy parameters and liquidity needs.*

*Louis was recognized in Barron's "Top 1,000 Financial Advisors" list (February, 2011) as well as in Registered Rep Magazine's Top 100 Wirehouse Advisors in American (September, 2010).*

*Louis is a graduate of the University of Wisconsin with a Bachelor of Science in Industrial Engineering, and holds his Series 7, 63 and 65 securities licenses.*

*Louis is a Board Member of Friends of the Israeli Defense Force. He is a coach with the American Youth Soccer Organization (AYSO).*

Upon the approval of Mr. Paster reappointment to serve on the Investment Advisory Panel, the makeup of the panel is described below:

<b>NAME</b>	<b>RECOMMENDING ORGANIZATION</b>	<b>TERM EXPIRATION</b>
Jeanna Cullins	Commission	11/19/2023
Paul Chatalas	GOMB	11/19/2023
James Hibbert	Commission	11/19/2024
Andrew Ranck	State Comptroller	11/19/2024
Fernando Diaz	State Treasurer	11/19/2025
Karen Kissel	Board of Higher Ed.	11/19/2025
Louis Paster	Commission	11/19/2026

**Action requested:** That the Commission approve the reappointment of Mr. Louis Paster (recommended by the Commission) to the College Illinois! Investment Advisory Panel for a term expiring November 19, 2026.

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### APPROVAL OF APPOINTMENT OF COLLEGE ILLINOIS!® PREPAID TUITION PROGRAM INVESTMENT ADVISORY PANEL MEMBER

**Submitted for:** Action

**Summary:** The Illinois Student Assistance Commission administers the College Illinois! Prepaid Tuition Program (the “Program”) pursuant to authority granted under the Illinois Prepaid Tuition Act, 110 ILCS 979/1 *et seq.* (the “Act”). The Act requires the Commission to appoint a seven (7) member Investment Advisory Panel (IAP). The Investment Advisory Panel’s duties include:

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- (3) reviewing and advising the Commission with regard to the annual report that describes the current financial condition of the Program.

Of the Investment Panel’s seven members, one (1) is recommended by each of the following: State Treasurer, State Comptroller, Director of Governor’s Office of Management and Budget (GOMB), and Executive Director of the Board of Higher Education. The Commission is responsible to appoint all seven Investment Advisory Panel members, four recommended as described above and the remaining three that are selected by the Commission. Each panel representative serves a three (3) year term. The Act requires each panel member to possess knowledge, skill and experience in at least one of the following areas of expertise: accounting, actuarial practice, risk management or investment management.

**Mr. Paul Chatalas** has agreed to continue serving on the Investment Advisory Panel and has been recommended to be reappointed by the GOMB. ISAC staff also recommends his reappointment. He has served on the Panel since April 2023 and has provided valuable assistance during his tenure. A summary of his biography follows.

*Mr. Paul Chatalas has led the State’s bond efforts through the Governor’s Office of Management and Budget (GOMB) since 2019, where he oversees a \$30 billion bond portfolio. He has nearly 30 years of combined public policy and public finance experience, with the prior 15 years in public*

*finance with investment banks in Chicago and New York. Paul currently serves on the Debt Committee of the Government Finance Officers Association (GFOA) and on the Executive Board of the state-level debt committee for the National Association of State Treasurers (NAST). Before entering public finance Paul spent several years working on Capitol Hill for members of the U.S. House and Senate, including members of the Budget and Appropriations Committees, and served as Executive Director of an NGO that focuses on US/UN relations. He holds a Master of Public Administration degree from Columbia University's School of International and Public Affairs (SIPA) and a B.A. from the University of Oregon. Paul lives in Chicago and is a Founder's Council Advisor of the Field Museum, where he sits ex officio on the Exhibitions Committee of the Board of Trustees.*

Upon the approval of Mr. Chatalas reappointment to serve on the Investment Advisory Panel, the makeup of the panel is described below:

<b>NAME</b>	<b>RECOMMENDING ORGANIZATION</b>	<b>TERM EXPIRATION</b>
Jeanna Cullins	Commission	11/19/2023
James Hibbert	Commission	11/19/2024
Andrew Ranck	State Comptroller	11/19/2024
Fernando Diaz	State Treasurer	11/19/2025
Karen Kissel	Board of Higher Ed.	11/19/2025
Louis Paster	Commission	11/19/2026
Paul Chatalas	GOMB	11/19/2026

**Action requested:** That the Commission approve the appointment of Mr. Paul Chatalas (recommended by GOMB) to the College Illinois! Investment Advisory Panel for a term expiring November 19, 2026.

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- (2) annually reviewing and advising the Commission on the Program’s Statement of Investment Policy; and
- (3) reviewing and advising the Commission with regard to the annual report that describes the current financial condition of the Program.

Of the Investment Panel’s seven members, one (1) is recommended by each of the following: State Treasurer, State Comptroller, Director of Governor’s Office of Management and Budget (GOMB), and Executive Director of the Board of Higher Education. The Commission is responsible to appoint all seven Investment Advisory Panel members, four recommended as described above and the remaining three that are selected by the Commission. Each panel representative serves a three (3) year term. The Act requires each panel member to possess knowledge, skill and experience in at least one of the following areas of expertise: accounting, actuarial practice, risk management or investment management.

**Mrs. Jeanna Cullins** stepped down from her role at the Investment Advisory Panel on 08/07/23, because she moved out of state and would not be available for in-person meetings. We are very grateful to Mrs. Cullins for her valuable service and tireless commitment over the years to improve the College Illinois program. We wish Mrs. Cullins the best in her future endeavors.

Upon learning of Mrs. Cullins resignation, and after consulting with the Board chair, we reached out to **Mrs. Carmen Heredia-Lopez** (our former Chief Investment Officer), as we thought she would be an ideal IAP

candidate given her knowledge and experience working with the CI program and the agency overall. To our delight she agreed to serve in the panel. Therefore, ISAC staff is recommending the appointment of Mrs. Heredia-Lopez to the IAP given her strong background and extensive experience in the industry. A summary of her biography follows.

*Carmen is the Executive Director, Investments for Blue Cross Blue Shield Association. BCBSA's vision is to be the national leader in advancing well-being and health equity. Carmen is a member of the Board of Directors, Chair of the Nominating and Governance Committee and an Audit Committee Financial Expert for the PFM Multi-Manager Series Trust. She also is on the Board Directors of the following nonprofit boards: Woodlands Academy, Lifting Equity and Potential (LEAP) Together and Julia Center. Previously, she served on the national boards of Prospanica (formerly the National Society of Hispanic MBAs) and Robert A. Toigo Foundation.*

*Carmen earned her International MBA in Finance, Accounting, and Business Economics from The University of Chicago Booth School of Business, her undergraduate degree in International Management and Marketing from Georgetown University, and her associate's degree from College of DuPage. She is a Chartered Financial Analyst charterholder and is an alumna of the Robert A. Toigo Foundation.*

*Prior to BCBSA, Carmen was the Chief Investment Officer and Chief Accountability Officer for the Illinois Student Assistance Commission. Her previous positions include Director of Investments for one of the largest U.S. philanthropic foundations, W.K. Kellogg Foundation and Chief Investment officer for Chicago Teachers Pension Fund.*

*Carmen started her career in asset management in 1993 when she started working at Fortaleza Asset Management, a Chicago-based minority-owned investment management firm. Since then she has been promoting and executing 'access to capital' strategies for emerging and minority-owned businesses. Similarly, her passion to promote higher education for the Latinx community has resulted in many programs, conferences and mentoring relationships.*

*She lives with her husband and daughter in the Chicagoland area.*

Upon the approval of Mrs. Heredia-Lopez appointment (to replace Mrs. Jeanna Cullins whose term expires on 11/19/23) and her reappointment for a new three-year term to serve on the Investment Advisory Panel, the makeup of the panel is described below:

<b>NAME</b>	<b>RECOMMENDING ORGANIZATION</b>	<b>TERM EXPIRATION</b>
James Hibbert	Commission	11/19/2024
Andrew Ranck	State Comptroller	11/19/2024
Fernando Diaz	State Treasurer	11/19/2025
Karen Kissel	Board of Higher Ed.	11/19/2025
Louis Paster	Commission	11/19/2026
Paul Chatalas	GOMB	11/19/2026
Carmen Heredia	Commission	11/19/2026

**Action requested:** That the Commission approve the appointment of Mrs. Carmen Heredia-Lopez (to replace Mrs. Jeanna Cullins) to the College Illinois! Investment Advisory Panel for a term expiring November 19, 2023. Furthermore, that the Commission approves the reappointment of Mrs. Heredia-Lopez for a new three-year term expiring on November 19, 2026.