AGENDA ITEM 2.

APPROVAL OF MINUTES OF THE OCTOBER 15, 2015 MEETING

Submitted for: Action

Summary: This report includes the minutes of the investment related items of the joint meeting of the Investment Committee and the Commission held on October 15, 2015.

Action requested: That the Investment Committee approve the minutes of the October 15, 2015 meeting.

MINUTES OF A JOINT MEETING
OF THE
ILLINOIS STUDENT ASSISTANCE COMMISSION
AND THE
INVESTMENT COMMITTEE

Michael A. Bilandic Building
Room N-502
160 N. LaSalle St.
Chicago, IL

October 15, 2015

11:30 a.m.

COMMISSIONERS PRESENT:	Miguel del Valle, Vice Chair Selamawi Asgedom Kendall Griffin, Audit Committee Member Kevin Huber, Investment Committee Member Verett Mims, Investment Committee Member Paul Roberts, Audit Committee Member Kim Savage, Audit Committee Member
COMMISSIONERS ABSENT:	Mark Donovan, Investment Committee Member
STAFF PRESENT:	Eric Zarnikow, Executive Director Lynne Baker, Managing Director, Communications Carol Cook, Director, Program Services and Compliance Kent Custer, Chief Investment Officer Kishor Desai, Director, Internal Audit Wendy Funk, Director, Accounting Katharine Gricevich, Director, Government Relations Sandra Houston, Director, College Illinois!® Prepaid Tuition Program Susan Kleemann, Managing Director, RPPA Shoba Nandhan, Chief Financial Officer Roger Rojas, Investment Analyst Karen Salas, General Counsel Debora Calcara, Commission Secretary
PUBLIC ATTENDANCE:	Ryan Ball, Callan Associates Meegan Bassett, Lumina Foundation Eric Hiatt, Illinois Board of Higher Education Marcus Szymanoski, DeVry Group Brianne Weymouth, Callan Associates

The following agenda items at the joint meeting of the Commission and the Investment Committee pertained only to the Investment Committee.

Item 9. College Illinois!® Prepaid Tuition Program Investments

Item 9A. Approval of Minutes of the August 18, 2015 Meeting of the Investment Committee

Ms. Mims **MOVED THAT** the Investment Committee approve the minutes of the August 18, 2015 meeting of the Investment Committee. Mr. Huber seconded the motion, which was approved unanimously.

Item 9D. Approval of Investment Custodian Procurement

Mr. Custer provided background on the RFP process for a custodian of the Prepaid Tuition Fund. He stated the prior custodian was Northern Trust whose contract expired on June 30, 2015 but was extended for one year by the Commission at its June meeting.

Mr. Custer noted the search criteria and process was provided in the agenda book. He stated after a competitive search Northern Trust received the highest score and offered a competitive fee structure and is therefore being brought to the Investment Committee and the Commission for approval.

Vice Chair del Valle asked for a motion by a member of the Investment Committee to approve the following Resolution as written in the agenda book:

> **BE IT RESOLVED**, that the Investment Committee recommend that the Commission authorize and direct the Executive Director or Chairman or Vice Chairman (together, the "Officers"), to enter into, in the name of the Fund or ISAC, execute, and deliver, a custody agreement with the Northern Trust Company (Northern Trust) for a five-year term with five additional annual renewals.

Mr. Huber, as a member of the Investment Committee **SO MOVED**, Ms. Mims, as a member of the Investment Committee, seconded the motion, which was approved unanimously.

Vice Chair del Valle asked for a motion by the Commission to approve the following Resolution as written in the agenda book:

> **BE IT RESOLVED**, that the Executive Director or Chairman or Vice Chairman (together, the "Officers") are hereby authorized and directed, to enter into, in the name of the Fund or ISAC, execute, and deliver, a custody agreement with Northern Trust for a five-year term with five additional annual renewals.
>
> **BE IT RESOLVED, FURTHER**, that the Officers be and they are hereby authorized and directed to deposit with Northern Trust pursuant to a custodian agreement ("Agreement") such of the assets of the Fund as they in their sole and absolute discretion may deem advisable from time to time, and to take from time to time all such action under such agreement on behalf of ISAC and the Fund as may be necessary to carry out the intent and meaning of said Agreement.

BE IT RESOLVED, FURTHER, that any Officer may delegate in writing any part or all of the authority granted in the foregoing paragraphs to such other person or persons as they in their sole and absolute discretion may deem advisable from time to time.

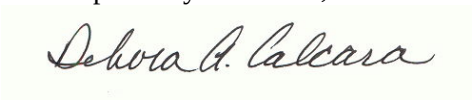
BE IT RESOLVED, FURTHER, that the Executive Director shall file with the custodian a certified copy of this resolution, and a list of the persons that from time to time have the foregoing authority in relation to the fund, and said custodian shall be entitled as against ISAC and Fund to conclusively presume that the persons so certified as having such authority shall continue to have such authority until otherwise notified in writing by the Executive Director of ISAC.

BE IT RESOLVED, FURTHER, that this resolution shall be in full force and effect and binding upon ISAC and the Fund until it shall have been repealed and until written notice of such repeal shall have been delivered to the custodian.

Mr. Huber **SO MOVED,** Mr. Griffin seconded the motion, which was approved unanimously.

Mr. Huber **MOVED THAT** that the October 15, 2015 meeting be adjourn, Mr. Griffin seconded the motion, which was approved unanimously. The meeting adjourned at 2:44 p.m.

Respectfully submitted,



Debora A. Calcara
Secretary to the Commission