

## AGENDA ITEM 6.

### APPOINTMENT OF COLLEGE ILLINOIS!<sup>®</sup> PREPAID TUITION PROGRAM INVESTMENT ADVISORY PANEL MEMBERS

**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 remaining three are recommended and appointed 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.

State Comptroller Judy Baar Topinka is recommending Mr. Patrick Rea to represent the State Comptroller on the Panel. The Comptroller recommended position has been vacant since 2008.

Mr. Rea was appointed in 2003 by President George W. Bush as Regional Administrator for SBA’s Midwest Region, a position he held until 2009. Prior to joining SBA Mr. Rea was the Executive Director of the Illinois Development Finance Authority where he directed the senior debt financing agency’s economic development, small business expansion, local government capital needs, seed stage venture capital investments and film financing. He has also served as Vice President and Corporate Banker of First National Bank of Chicago/Bank One Capital Markets. In May of 2009, he was appointed Village Clerk of the Village of Tinley Park after serving 37 years as an elected Village Trustee. From 1980 until May of 2009, he was Chairman of the Village’s Finance and Economic Development Committee. Mr. Rea also served as the Chairman of the Board and CEO of the Chicago Chapter of the American Institute of Banking. Mr. Rea holds a Bachelor of Science in Economics and

Business and a Master of Arts in Economics from the University of Illinois at Urbana.

Ms. Joy Winterfield is being recommended to serve on the Panel as a representative of the Commission to replace Ms. Susan Keegan, who has resigned her position.

Since 2007, Ms. Winterfield has served as the Portfolio Manager for Private Equity Real Estate with Allstate Investments, LLC in Northbrook, Illinois and manages nearly \$1 billion in new client mandates with emphasis on emerging markets funds and domestic co-investments. Ms. Winterfield brings eight years of experience in the investment industry from companies such as the Illinois State Board of Investment and O'Conner Partners Investment Office. She received her Bachelor of Science – Industrial Administration with a Major in Marketing from the GMI Engineering & Management Institute in 1989 and a Master in Business Administration from Harvard Graduate School of Business Administration in 1994.

Mr. Paul Hagy is being recommended to serve on the Panel as a representative of the Commission to replace Mr. David Ikenberry, whose term expired in March of 2011.

Mr. Hagy is currently the Global Corporate Treasurer of Aon Corporation where he is responsible for capital allocation, MD&A, corporate finance, pension management, financial risk management, cash management, credit risk/analysis and investments. Prior to joining Aon in 2002, Mr. Hagy worked for General Electric Capital Corporation, Heller Financial Inc. and Household International in various roles of increasing responsibility. Mr. Hagy received his BA in Financial Administration from Michigan State University in 1990 and his MBA with a concentration in finance from the University of Chicago Graduate School of Business in 1999.

Upon the approval of Mr. Rea, Ms. Winterfield and Mr. Hagy to serve on the Investment Advisory Panel, the makeup of the panel is described below:

<b>NAME</b>	<b>RECOMMENDED BY</b>	<b>TERM EXPIRES</b>
Louis Paster	State Treasurer	July 8, 2014
Karen Kissel	Board of Higher Education	July 8, 2014
Patrick E. Rea	State Comptroller	September 15, 2014
Paul Hagy	Commission	January 31, 2015
Joy Winterfield	Commission	January 1, 2015
Vacant	Commission	April 3, 2012
Vacant	GOMB	

**Action requested:**

That the Commission approve the College Illinois! Investment Advisory Panel appointments of Mr. Patrick Rea to a term expiring on September 15, 2014, Ms. Joy Winterfield to a term expiring on December 31, 2011 and for reappointment to an additional term expiring on January 1, 2015 and Mr. Paul Hagy to a term expiring on January 31, 2012, and for reappointment to an additional term expiring on January 31, 2015.