

MINUTES

ILLINOIS SECURE CHOICE BOARD

Meeting of Monday, August 17, 2015

**James R. Thompson Center
100 West Randolph, Room 9-031, Chicago, Illinois**

The August 17, 2015 meeting of the Illinois Secure Choice Board (Board) was called to order at 1:00 p.m. with the presence of a quorum.

BOARD MEMBERS PRESENT

Michael Frerichs, *Chair*
Illinois State Treasurer

Leslie Munger (via conference call)
State Comptroller

Scott Harry (via conference call)
Governor's Office of Management and Budget - Chief of Staff

Miriam Martinez
Office of the City Treasurer - Chief Investment Officer

David Marzahl
Center for Economic Progress – President & CEO

David Rappaport
Rappaport Reiches Capital Management, LLC - Co-Managing Partner

John Rauschenberger
Technology & Management Association – Executive Vice-President and General Manager

OTHER ATTENDEES

Julian Federle, *Chief Policy and Programs Officer*
Illinois State Treasurer's Office

Rodrigo Garcia, *Chief Investment Officer*
Illinois State Treasurer's Office

Nikki Giancola, *Executive Assistant to the Treasurer & Deputy Treasurer*

Illinois State Treasurer's Office

*Keith Horton, General Counsel
Illinois State Treasurer's Office*

*Allen Mayer, Assistant General Counsel
Illinois State Treasurer's Office*

*Sandi Raphael, Assistant General Counsel
Illinois State Treasurer's Office*

*Chasse Rehwinkel, Director of Policy
Illinois State Treasurer's Office*

*Greg Rivara Press Secretary
Illinois State Treasurer's Office*

*Jay Rowell, Deputy Treasurer
Illinois State Treasurer's Office*

*Catherine Shannon, Legislative Director
Illinois State Treasurer's Office*

APPROVAL OF LEGAL MEETING PROCEDURES

Mr. Horton explained the legal requirements for holding an open meeting and disclosing the Board's public records.

Mr. Horton also highlighted the mandatory training that Board members must undergo as State board members, including Open Meetings Act and Ethics training.

Ms. Munger made a motion to allow the Office of the Illinois State Treasurer's (Treasurer's Office) legal division to assist the Board in complying with the various Open Meetings Act and State ethical requirements. Mr. Marzahl seconded the motion. The motion was unanimously approved.

Mr. Rappaport made a motion for the Board to meet quarterly at a mutually agreeable time for the Board members. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

Mr. Harry made a motion to allow Board members to participate in Board meetings via conference call. Ms. Martinez seconded the motion. The motion was unanimously approved.

APPROVAL OF ASSISTANCE FOR DUTIES UNDER THE SECURE CHOICE ACT

Mr. Federle discussed the current retirement savings crisis in the United States. Mr. Federle then moved on to the basic structure of the Secure Choice Savings Program Act (Act) — who qualifies, who is automatically enrolled, etc.

Mr. Federle explained the administrative responsibilities of the Board, as prescribed by the Act. Federle went on to outline the tools and potential partnerships that the Board has in order to fulfill its duties.

Mr. Federle introduced Mr. Rehwinkel to discuss the potential economic impact, pool size estimates, and other program statistics.

Mr. Harry made a motion to grant the Treasurer's Office the authority to seek contract options for indemnification of the Board in light of the presentation. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

Ms. Martinez made a motion for the Board to grant the Treasurer's Office the authority to process and document reimbursable expenses related to serving on the Board in light of the presentation. Mr. Rappaport seconded the motion. The motion was unanimously approved.

Mr. Rauschenberger made a motion to grant the Treasurer's Office the authority to collect information from various entities involved in establishing and administrating the program to construct statutorily required performance reviews for the General Assembly. Ms. Martinez seconded the motion. The motion was unanimously approved.

Mr. Marzahl made a motion to grant the Treasurer's Office the authority to enter into intergovernmental agreements with various government agencies on behalf of the Board in light of the presentation. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

Ms. Martinez made a motion to grant the Treasurer's Office the authority to enter into contracts with ERISA counsel on behalf of the Board in light of the presentation. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

Mr. Harry made a motion to grant the Illinois Treasurer the authority to appoint a program administrator and supply additional staff to help the Board administer the program. Mr. Marzahl seconded the motion. The motion was unanimously approved.

INVESTMENT CONSIDERATIONS

Mr. Garcia described the life-cycle fund required by the Act. Mr. Garcia also described the other potential choices the Board can make for investment options, per the Act.

Mr. Garcia suggested that a subcommittee of the Board be constituted in order to go over investment options and next steps, as well as an investment adviser to review Board options and to assist in creating an investment framework.

Mr. Marzhal made a motion to grant the Treasurer's Office the authority to enter into contracts with an investment consultant to assist the Treasurer's staff and the Board in creating an investment framework in light of the presentation. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

Ms. Martinez made a motion to create an Investment Policy subcommittee to assist the Board. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

As Chair of the Board, Mr. Frerichs appointed Ms. Martinez, Mr. Rappaport, and Mr. Frerichs to the Investment Policy subcommittee.

Mr. Rappaport made a motion for the Board to approve the Investment Policy subcommittee. Mr. Rauschenberger seconded the motion. The motion was unanimously approved.

ADJOURNMENT

Mr. Frerichs stated that since there was no additional business before the Board, he sought a motion to adjourn. Motion for adjournment accepted.

The meeting was adjourned at 3:30 p.m.