

PROCEEDINGS
OF THE
Board of Trustees
OF THE
**Public School Teachers' Pension and
Retirement Fund of Chicago**

**Special Meeting – Official Report
Wednesday, August 17, 2022**

A Special Meeting of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held on Wednesday, August 17, 2022.

The President, Mr. Jeffery Blackwell, called the meeting to order at 9:37 a.m.

Board Meeting Audio/Video Conferencing during COVID-19

President Blackwell stated due to the COVID-19 pandemic and in accordance with the temporary suspension of Open Meetings Act requirements, this meeting is being conducted via audio/video conferencing.

ROLL CALL

Trustees present: Mr. Jeffery Blackwell, Mr. Miguel del Valle, Ms. Lois Nelson, Mr. Victor Ochoa, Ms. Tina Padilla, Ms. Jacquelyn Price Ward, Ms. Mary Sharon Reilly, Ms. Maria J. Rodriguez, Mr. Quentin Washington, Mr. Philip Weiss – 10

Trustees absent: Dr. Jerry Travlos – 1

Also in attendance were Mr. Carlton W. Lenoir, Sr. (*Executive Director*), Mr. Daniel J. Hurtado (*Chief Legal Officer*), Carolyn Clifford and Joseph Miller, of Ottosen DiNolfo Hasenbalg & Castaldo, Ltd. (*Board Counsel*), and various observers and staff members.

VOTE AGENDA

Motion to Approve Today's Timed Agenda and Fixed Time for Adjournment, Approved

Ms. Reilly made a motion, seconded by Ms. Price Ward, to approve today's timed agenda and fixed time for adjournment.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Minutes of the Regular Board Meeting on June 16, 2022, as Amended Approved

Ms. Price Ward made a motion, seconded by Ms. Reilly, to approve the minutes of the Regular Board meeting held on June 16, 2022, as amended.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 9

Abstentions: Ms. Padilla – 1

Motion to Approve Health Insurance Sub Committee Recommendations for Renewals, Approved

Ms. Reilly made a motion, seconded by Ms. Rodriguez, to authorize continuing the subsidy of the annuitant health insurance cost at 60% and approving the renewal rates as presented for calendar year 2023.

Discussion ensued regarding health insurance recommendations. Ms. Jenn Pentangelo and Mr. Dan Hurtado addressed questions raised by the Board.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Health Insurance Sub Committee Recommendations for Supplemental Plan and Pharmacy Benefit Manager RFP, Approved

Ms. Reilly made a motion, seconded by Ms. Rodriguez, to approve engaging Segal to conduct a competitive bid via Request for Proposal (RFP) from all available Medicare Pharmacy Benefit Managers (PBM) for calendar years 2024 through 2026, for a cost not to exceed \$60,000.00.

Ms. Pentangelo clarified the motion. Discussion ensued regarding negotiation with the current Pharmacy Benefit Manager (PBM), Express Scripts versus conducting a competitive bid via an RFP. Mr. Dan Levin clarified the RFP advantages and disadvantages and explained the impact of the Inflation Reduction Act that was passed on August 16, 2022.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 9

Nays: Ms. Nelson – 1

Motion to Approve Staff Health Insurance and Dental Plans, Approved

Ms. Reilly made a motion, seconded by Ms. Price Ward, to approve continuing with the current health insurance and dental plans: BCBS PPO and HMO, and BCBS PPO Dental, following the percentage of premium structure for each health insurance plan by level of coverage.

Discussion ensued regarding insurance costs to the Fund and employee costs. Mr. Joseph Miller, Fund outside counsel and Ms. Latoya Bibbs, HR Director, addressed questions raised by the Board.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Issuance of RFP for Chief Technology Officer Recruiter, Approved

Ms. Rodriguez made a motion, seconded by Ms. Reilly, to approve the issuance of an RFP from qualified firms to engage in a nationwide search for the Fund's next Chief Technology Officer.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Issuance of RFP for Temporary Staffing Agencies, Approved

Ms. Rodriguez made a motion, seconded by Ms. Reilly, to approve the issuance of an RFP for Staff Augmentation Services.

Mr. Richard Anderson, Director EPMO, reviewed the Board Action Request, stating the purpose of the zero-dollar RFP is to solicit staff augmentation vendors to create a larger pool of qualified staffing service providers for Project 125. Mr. Anderson addressed questions raised by the Board.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Issuance of RFP for Employer Audit Services, Approved

Ms. Reilly made a motion, seconded by Ms. Price Ward, to approve the advertisement of a Request for Proposals for Employer Audit Service providers.

Ms. Alise White, Chief Financial Officer, reviewed the Board Action Request, stating that the purpose of the RFP is to increase the pool of auditors available to perform the Payroll Audit Team service function. Ms. White addressed questions raised by the Board.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Additional Revisions to Return to Work Policy, Approved

Ms. Nelson made a motion, seconded by Ms. Reilly, to approve the amendments to the Return to Work Policy set forth in the presented draft.

Mr. Dan Hurtado summarized the Board Action Request, stating that the process was streamlined to make it more member-friendly and having a shorter timeframe by requiring a pre-hearing conference with staff, making the process less formal, and having internal CTPF counsel serve as the Hearing Officer to conserve Fund costs.

Discussion ensued regarding clarification of the process, and of objectivity of inside counsel to preside as Hearing Officer. Mr. Hurtado, Executive Director Lenoir, and Jenn Pentangelo addressed questions raised by the Board.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Adopt Hearing Officer's Findings in Return to Work Matters, Approved

Ms. Nelson made a motion, seconded by Ms. Price Ward, to adopt the Hearing Officer's Findings on Facts and Conclusions of Law for each of the matters.

Discussion ensued and it was recommended that the vote on Return to Work matters be deferred until after the Executive Session. A straw poll was conducted and there was not a majority in favor of deferring the vote.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Mr. Ochoa, Ms. Price Ward, Ms. Reilly, Mr. Weiss – 6

Nays: Ms. Nelson, Ms. Padilla, Ms. Rodriguez – 3

Abstentions: Mr. Washington – 1

Motion to Adopt Hearing Officer's Findings on Disability Matter, Approved

Ms. Reilly made a motion, seconded by Ms. Nelson, to adopt the Hearing Officer's Findings of Fact and Conclusions of Law and deny Ms. Kathleen Gilson's appeal.

Ms. Becky Gonzales, Associate General Counsel, reviewed findings and stated that the application was not made timely under Sections 17-117 and 17-117.1 of the Illinois Pension Code, and therefore Ms. Gilson's appeal should be denied.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Price Ward, Ms. Reilly, Mr. Washington, Mr. Weiss – 8

Abstentions: Ms. Padilla, Ms. Rodriguez – 2

Motion to Approve Disability Pensions, Approved

Ms. Reilly made a motion, seconded by Ms. Nelson, to approve disability pensions as presented at the August 17, 2022, Board meeting.

Discussion ensued regarding how disability payments are distributed, and revision of applicant information displayed. Ms. Pentangelo and Mr. Hurtado addressed questions raised by the Board.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Authorize Conference Requests and Trustee Travel, Approved

Mr. Weiss made a motion, seconded by Ms. Padilla, to approve the conference request and Trustee travel listed below.

Conference Requests

Approval of Mr. Washington's request at the July 7, 2022, Special Board meeting to attend the NCTR Trustee Workshop in July 2022 in Berkley, Calif.

Ms. Padilla requested approval to attend the 6th Annual Real Estate Midwest Forum in September 2022 in Chicago, and NCTR 100th Annual Conference in October 2022 in Tucson, Ariz.

Mr. Weiss requested approval to attend the 6th Annual Real Estate Midwest Forum in September 2022 in Chicago.

Ms. Price Ward requested approval to attend the 6th Annual Real Estate Midwest Forum in September 2022 in Chicago and NCTR 100th Annual Conference in October 2022 in Tucson, Ariz.

Ms. Reilly requested approval to attend the 6th Annual Real Estate Midwest Forum in September 2022 in Chicago.

Mr. Washington requested approval to attend the NCTR 100th Annual Conference in October 2022 in Tucson, Ariz.

Mr. Ochoa requested approval to attend the International Foundation New Trustees Institute Conference in October 2022 in Las Vegas, Nev. and NCTR 100th Annual Conference in October 2022 in Tucson, Ariz.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Approve Trustee Training Hours, No Vote Taken

Ms. Rodriguez made a motion, seconded by Ms. Padilla, to approve Trustee Training Hours.

Discussion ensued regarding NCTR Trustee Workshop training hours and upcoming Callan conferences.

Mr. Victor Ochoa left the meeting.

REPORT OF THE COMMITTEE ON PENSION LAWS & ADMINISTRATIVE RULES

Lobbyist Presentation

Mr. James Clayborne, Clayborne & Wagner LLP, presented an overview and introduction of goals set forth in a virtual meeting with CTPF Executive Director Lenoir and Chief Legal Counsel Dan Hurtado. The meeting identified the following goals:

1. “Level set” expectations for legislative liaison activities for upcoming legislative sessions.
2. Establish legislative priorities for the team on behalf of the CTPF.
3. Determine a near term path forward for priorities involving legislative action as well as chart a longer-term course of action based on the General Assembly schedule and CTPF priorities.
4. Sharing background and detail for the team on specific legislative matters consistent with identified priorities.

Mr. Clayborne addressed questions raised by the Board.

REPORT OF THE TECHNOLOGY COMMITTEE

Project 125

Mr. Richard Anderson, Enterprise Program Management Office (EPMO) Director reviewed a PowerPoint presentation highlighting achievements, upcoming goals, and risk awareness.

Ms. Jenn Pentangelo, Director of Benefit Services, gave an overview and clarification of what the Commitments Confirmation process entails. Sagitec and CTPF staff collaborated to ensure understanding of overall needs in each of the 40 functional areas.

Matt Jankowski, Interim Director of IT Applications, gave an update of Project 125 sub-projects including Organizational Change Management (OCM), Data Cleansing and Conversion in collaboration with ICON

Integration and Sagitec, Employer Outreach-data reporting, and Imaging which is a replacement of current imaging. Mr. Jankowski reported that all nine data levels categorization have been completed.

Thomas Smith, Provaliant Consultant, reviewed the Project 125 total budget and reported it is “on track” and that there has been no use of the contingency budget to date.

Ms. Pentangelo addressed questions raised by the Board.

Mr. Victor Ochoa rejoined the meeting.

The Board recessed for lunch from 12:18 p.m. to 12:40 p.m.

AFTERNOON ROLL CALL

Trustees present: Mr. Jeffery Blackwell, Mr. Miguel del Valle, Ms. Lois Nelson, Ms. Tina Padilla, Ms. Jacquelyn Price Ward, Ms. Mary Sharon Reilly, Ms. Maria J. Rodriguez, Mr. Quentin S. Washington, Mr. Philip Weiss – 9

Trustees absent: Mr. Victor Ochoa, Dr. Jerry Travlos – 2

Motion to go into Executive Session, Approved

Ms. Price Ward made a motion, seconded by Mr. Weiss, to go into Executive Session, for the purpose of Executive Session Minutes, personnel matters, and litigation matters.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 9

The Executive Session lasted from 12:45 p.m. to 2:30 p.m.

Motion to go into Open Session, Approved

Ms. Rodriguez made a motion, seconded by Ms. Nelson, to go into Open Session.

The motion passed by a unanimous roll call.

ROLL CALL

Trustees present: Mr. Jeffery Blackwell, Ms. Lois Nelson, Mr. Victor Ochoa, Ms. Tina Padilla, Ms. Jacquelyn Price Ward, Ms. Mary Sharon Reilly, Ms. Maria J. Rodriguez, Mr. Quentin Washington, Mr. Philip Weiss – 9

Trustees absent: Dr. Jerry Travlos, Miguel del Valle – 2

Mr. Miguel del Valle subsequently joined the meeting.

Motion to Authorize the Recommended Actions of Outside Litigation Counsel, Approved

Ms. Reilly made a motion, seconded by Ms. Price Ward, to authorize the recommended actions of outside litigation counsel on the pending Germany, Pullen, Okoe, and Sims matters.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Join in the Pre-suit Settlement in the Securities Fraud Action, Approved

Ms. Reilly made a motion, seconded by Ms. Nelson, to join in the pre-suit settlement in the securities fraud action involving the international security litigation involving an Italian firm.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Discharge the Law Firm of JBOH as Legal Representation of CTPF, Approved

Ms. Rodriguez made a motion, seconded by Ms. Price Ward, to discharge the law firm of JBOH LLP as legal representation of CTPF including pending litigation matters subject to an orderly transition to new outside counsel to represent CTPF in those matters.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Authorize the Retention of the Law Firm Burke, Warren, McKay, and Saratola, Approved

Ms. Rodriguez made a motion, seconded by Ms. Nelson, to authorize the retention of Burke Warren, McKay, and Saratola, on all pending overpayment and charter school litigation matters on behalf of the Chicago Teachers' Pension Fund.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

Motion to Authorize the Retention of the Law Firm Jackson Lewis, Approved

Ms. Reilly made a motion, seconded by Ms. Price Ward, to authorize the retention of the law firm of Jackson Lewis as legal counsel on all pending employment litigation matters, generally, and the False Claims Act litigation on behalf of the Chicago Teachers' Pension Fund.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Mr. Washington, Mr. Weiss – 9

Abstentions: Ms. Rodriguez – 1

Motion to Approve Executive Session Minutes, Approved

Ms. Reilly made a motion, seconded by Mr. Ochoa, to approve Executive Session minutes for the April 21, 2022, Board Meeting and the May 3, 2022, Finance & Audit Committee Meeting.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Mr. Washington, Mr. Weiss – 9

Abstentions: Ms. Rodriguez – 1

UNFINISHED BUSINESS

Ms. Padilla requested that fiduciary insurance be added on a future agenda. Executive Director Lenoir stated that the Finance and Audit Committee will review.

ADJOURNMENT**Motion to Adjourn, Approved**

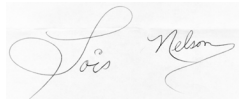
Ms. Rodriguez made a motion, seconded by Ms. Reilly, to adjourn the meeting.

The motion passed by the following roll call vote:

Ayes: Mr. Blackwell, Mr. del Valle, Ms. Nelson, Mr. Ochoa, Ms. Padilla, Ms. Price Ward, Ms. Reilly, Ms. Rodriguez, Mr. Washington, Mr. Weiss – 10

The meeting was adjourned at 2:50 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Lois Nelson". The signature is written in black ink on a light-colored background.

Lois Nelson
Recording Secretary

