

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

**Minutes for Release – Official Report
CTPF Executive Session
April 23, 2015**

The following minutes through February 2015 are submitted for review by the Board and for release pursuant to the Illinois Open Meetings Act. These minutes are being released because the litigation or personnel matters discussed are no longer pending and release is appropriate and required.

APRIL 24, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Mr. Jeffery Blackwell, Dr. Carlos M. Azcoitia, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Ms. Mary Sharon Reilly, Mr. Raymond Wohl – 9.

Members absent: Mr. Jay C. Rehak, Mr. Jerry Travlos, Ms. Andrea L. Zopp – 3.

Also in attendance were Ms. Frances Radencic (*Director of Member and Offices Services*), Mr. Scott Miller (*Chief Legal Officer*), Ms. Carmen Heredia-Lopez (*Chief Investment Officer*), Mr. Robert Jurinek (*Internal Auditor*), and Mr. Joseph Burns and Ms. Tiffany Reeves of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*).

The Trustees discussed a specific employee's performance relating to a procurement issue. The Trustees referred the matter to outside Counsel for review.

MAY 15, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Dr. Carlos M. Azcoitia, Mr. Robert F. Bures Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 10.

Members absent: Mr. Jeffery Blackwell, Mr. Jerry Travlos – 2.

Also in attendance was Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (Legal Counsel), and Mr. Robert Jurinek (Internal Auditor).

The Trustees discussed the performance of certain Fund employees. In that context, the Trustees and the Fund's outside Counsel discussed the Trustees' statutory reporting obligations and the Fund's ethics policy. The Internal Auditor discussed issues relating to the confidentiality of his investigation. The Trustees authorized outside Counsel to seek the assistance of a specialist firm to review the personnel and ethics issues. The Trustees discussed hiring an additional external counsel to review employee performance issues relating to procurement.

The Trustees discussed appointing the President as the Fund's Interim Executive Director for a specified period. The Trustees determined that to the extent that the appointment was contrary to any prior Board resolution, the prior Board resolution could, by subsequent vote, be considered null and void.

JUNE 19, 2014 – REGULAR MEETING

Members present: Dr. Carlos M. Azcoitia, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 10.

Members absent: Ms. Lois W. Ashford, Dr. Walter E. Pilditch – 2.

Also in attendance were Mr. Scott Miller (*Chief Legal Officer*), Ms. Carmen Heredia-Lopez (*Chief Investment Officer*), Mr. Robert Jurinek, (*Internal Auditor*), Mr. Joseph Burns and Ms. Tiffany Reeves of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), and Mr. Avi Josefson of BLB&G (*Legal Counsel*).

The Fund's outside Counsel discussed the status of the Fund's contract negotiations with BNY Mellon. The Trustees discussed the performance of certain Fund employees. The Trustees reviewed and discussed memoranda written by outside special counsel. The Trustees decided to terminate the Fund's Chief Legal Officer and directed the Interim Executive Director to inform the employee.

The Trustees discussed establishing a special Personnel Committee to review personnel issues and authorized the Personnel Committee to retain a search firm to conduct the Deputy Executive Director search, and another service provider to conduct enhanced staff training. The Trustees discussed and authorized the Interim Executive Director to be paid for a 40 hour work week at his regular rate of pay.

JULY 24, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Mr. Jeffery Blackwell Dr. Carlos M. Azcoitia, Mr. Robert F. Bures Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Raymond Wohl, Ms. Andrea L. Zopp (via telephone) – 11.

Members absent: Mr. Jerry Travlos – 1.

Also in attendance were Kevin B. Huber (*Executive Director*), Mr. Joseph Burns and Tiffany Reeves of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), and Mr. Robert Jurinek (*Internal Auditor*).

The Fund's Chief Investment Officer and outside Counsel reported to the Trustees on the status of contract negotiations with BNY Mellon relating to the master custody agreement. The Trustees discussed the substance of the contract negotiations and authorized outside Counsel to assert certain negotiating positions with BNY Mellon.

The Trustees reviewed the Proposed Findings of Fact and Conclusions of Law issued by the Return to Work Committee pertaining to several retirees who exceeded the reemployment limits during fiscal year 2013-2014.

The Trustees considered the appeal of a terminated Fund employee. The former employee made a statement and the Trustees and the Executive Director discussed the circumstances pertaining to the discharge.

The Trustees discussed an investigation pertaining to an employee's performance and procurement issue. The Trustees discussed issues relating to the operations of the Human Resources Department, certain personnel issues, and the need for enhanced staff training. The Executive Director updated the Trustees regarding the status of his health and the expected duration of his leave of absence. The Trustees discussed hiring an executive search firm to conduct a search for the Deputy Executive Director and discussed hiring a new Chief Legal Officer. The Trustees discussed the outside legal services contract. The Trustees addressed the timing of the RFP for outside legal counsel.

AUGUST 21, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 9.

Members absent: Dr. Carlos Azcoitia, Dr. Walter E. Pilditch, Mr. Jerry Travlos – 3.

Also in attendance were Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), and Mr. Robert Jurinek (*Internal Auditor*).

The Trustees interviewed a candidate for the Interim Executive Director position and discussed compensation and benefits. The Trustees reviewed the report of the Personnel Committee and discussed issues relating to the performance of certain staff members.

The Trustees and the Internal Auditor discussed internal control issues that lead to the August 1 payroll failure, and the specifics of the strategy for preventing a future payment failure.

SEPTEMBER 18, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 10.

Members absent: Dr. Carlos M. Azcoitia, Ms. Tina Padilla – 2.

Also in attendance were Peter A. Driscoll (*Interim Executive Director*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Robert Jurinek (*Internal Auditor*), and Frances Radencic (*Director of Communications and Member Services*)

The Fund's real estate consultant, Savills Studley, reported to the Trustees on lease options and pricing comparisons and discussed negotiation of the CTPF office lease.

The Trustees discussed the reemployment rules and reviewed the Proposed Findings of Fact and Conclusions of Law for Marguerite Dooley.

The Trustees discussed the Deputy Executive Director search and the status of the contract with EFL and Associates. The Trustees and the Interim Executive Director discussed certain staffing and performance issues. The Trustees reviewed an employee's request for a leave of absence.

The Interim Executive Director discussed employee performance and procurement issues pertaining to IT. The Trustees reviewed the claims of certain retirees who were affected by the payroll failure.

OCTOBER 23, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Dr. Carlos M. Azcoitia, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 11.

Members absent: Mr. Jeffery Blackwell – 1.

Also in attendance were, Peter A. Driscoll (*Interim Executive Director*), Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*) and Mr. Robert Jurinek (*Internal Auditor*).

The Trustees and outside Counsel discussed issues pertaining to the BNY Mellon contract negotiation. The Trustees, Chief Legal Officer, outside Counsel, and Tony Wilkins of BNY Mellon (after Mr. Wilkins was invited in) discussed the parties' positions on the open contract issues. Mr. Wilkins was excused. The Chief Investment Officer reported to the Trustees on the status of the contract negotiations with Deutsche Bank.

The Interim Executive Director reported on the status of contract negotiations for the Fund office lease. The Interim Executive Director updated the Trustees regarding the Deputy Executive Director search. The Trustees discussed the resignations of the Fund's Executive Director and the Chief Investment Officer. The Trustees discussed suspending the Deputy Executive Director search and engaging EFL and Associates to conduct the Executive Director search.

The Trustees discussed personnel issues and an employee's application for disability pension. The Trustees discussed certain open positions and staffing issues. The Trustees discussed staff performance reviews and annual salary increases.

The Trustees discussed the reemployment rules and reviewed the Proposed Findings of Fact and Conclusions of Law for Dorothy Gaters.

The Chief Legal Officer discussed the negotiation of certain provisions of a private equity agreement. The Fund's outside Counsel discussed a proposed settlement in the Ambac matter on behalf of a sub-class of plaintiffs.

NOVEMBER 20, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Dr. Carlos M. Azcoitia, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 12.

Also in attendance were, Mr. Peter A. Driscoll (*Interim Executive Director*), Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), and Mr. Robert Jurinek (*Internal Auditor*).

The Interim Executive Director updated the Trustees regarding the Executive Director search. The Trustees discussed the retirement of the Executive Director.

The Interim Executive Director updated the Trustees regarding the payout of unused sick days to a former employee.

The Chief Legal Officer informed the Trustees of two Equal Employment Opportunity Commission (EEOC) charges that the EEOC dismissed. The Chief Legal Officer reported that the EEOC conducted training for the Fund staff regarding EEO issues. The Trustees discussed hiring a Human Resources consultant to conduct additional training for certain staff members.

The Trustees and outside Counsel discussed the required minimum distribution rules and issues pertaining to Internal Revenue Code compliance. The Trustees, the Chief Legal Officer, and outside Counsel discussed issues relating to charter school reporting of contributions and possible collection issues.

DECEMBER 11, 2014 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 11.

Members absent: Dr. Carlos M. Azcoitia – 1.

Also in attendance were, Mr. Peter A. Driscoll (*Interim Executive Director*), Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), and Mr. Robert Jurinek (*Internal Auditor*).

Dan Cummings of EFL and Associates reported to the Trustees on the scope and parameters of the Executive Director candidate search, and discussed how EFL and Associates evaluates potential candidates. The Trustees and Fund Counsel discussed an employee complaint.

The Fund's outside Counsel reported to the Trustees on the status of contract negotiations with BNY Mellon, and asked the Trustees to authorize the approval of the final terms.

JANUARY 29, 2015 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Dr. Carlos M. Azcoitia, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Dr. Walter E. Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 11.

Members absent: Mr. Jerry Travlos – 1.

Also in attendance were Mr. Peter A. Driscoll (*Interim Executive Director*), Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Robert Jurinek (*Internal Auditor*), and Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*).

The Trustees interviewed three candidates for the Executive Director position. The Trustees discussed the three candidates and decided to conduct a follow-up interview with one of the finalists.

FEBRUARY 7, 2015 – SPECIAL MEETING

Members present: Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Tina Padilla, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl – 7.

Members absent: Ms. Lois W. Ashford, Dr. Carlos M. Azcoitia, Ms. Bernice Eshoo, Dr. Walter E. Pilditch, Ms. Andrea L. Zopp – 5.

Also in attendance were Mr. Peter Driscoll (*Interim Executive Director*), Ms. Tiffany Reeves (*Chief Legal Officer*), and Mr. Joseph Burns of Jacobs, Burns, Orlove & Hernandez (*Legal Counsel*).

The Trustees conducted a follow-up interview of a finalist for the Executive Director position.

FEBRUARY 19, 2015 – REGULAR MEETING

Members present: Ms. Lois W. Ashford, Dr. Carlos M. Azcoitia, Mr. Jeffery Blackwell, Mr. Robert F. Bures, Ms. Bernice Eshoo, Ms. Tina Padilla, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Mr. Raymond Wohl, Ms. Andrea L. Zopp – 11.

Members absent: Dr. Walter E. Pilditch – 1.

Also in attendance were Mr. Peter A. Driscoll (*Interim Executive Director*), Ms. Tiffany Reeves (*Chief Legal Officer*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), and Mr. Robert Jurinek (*Internal Auditor*).

The Trustees discussed hiring Chuck Burbridge as the Fund's Executive Director.