

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

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**Regular Meeting – Official Report  
Thursday, August 16, 2018**

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A regular meeting of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held Thursday, August 16, 2018.

The President, Mr. Jay C. Rehak, called the meeting to order at 9:32 a.m.

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**PUBLIC PARTICIPATION**

**Presentation by Patricia Kubistal**

Ms. Patricia Kubistal, a retired member and President of the Retired Teachers Association of Chicago, asked the Trustees to review the Fund's policy on health insurance pertaining to allowing the retirees an opportunity, outside of a qualifying event, to opt into the Health Insurance programs.

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**ROLL CALL**

Members present: Mr. Jeffery Blackwell, Mr. James Cavallero, Mr. Mark F. Furlong, Ms. Lois W. Nelson, Ms. Tina Padilla, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Ms. Maria J. Rodriguez – 8

Members absent: Ms. Lois W. Ashford, Mr. Gregory Redfeairn, Mr. Jerry Travlos, Ms. Gail Ward – 4

Mr. Redfeairn arrived during the Report of the Investment Committee.

Ms. Ashford arrived during Board Training.

Also in attendance were Mr. Charles A. Burbridge (*Executive Director*), Ms. Mary Cavallaro (*Deputy Executive Director*), Mr. John F. Schomberg (*Chief Legal Officer*), Ms. Adriane McCoy (*Internal Audit Director*), Ms. Angela Miller-May (*Chief Investment Officer*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Board Counsel*), Ms. Brianne Weymouth and Mr. Angel Haddad of Callan Associates (*Investment Consultants*), and various observers and staff members.

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## APPROVAL OF MINUTES

### **Motion to Approve Minutes of Regular Board Meeting on July 19, 2018, Approved**

Ms. Reilly made a motion, seconded by Mr. Blackwell, to approve the minutes of the Regular Board Meeting on July 19, 2018.

The motion passed unanimously.

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## REPORT OF THE INVESTMENT TEAM

### **Watch List Update**

Ms. Angela Miller-May, Chief Investment Officer, and Ms. Brianne Weymouth and Mr. Angel Haddad of Callan Associates, reviewed the managers that are on CTPF's Watch List. In accordance with the Watch List Policy, Callan recommends removing LM Capital due to manager performance improvements. They addressed questions raised by the Board.

### **Motion to Remove LM Capital from the Watch List, Approved**

Mr. Redfeairn made a motion, seconded by Ms. Reilly, to accept Callan's recommendation to remove LM Capital from the Watch List.

The motion passed unanimously.

### **Divesting from Private Prisons and Private Detention Facilities**

President Rehak mentioned that there would be a discussion on divesting from companies operating private prisons and private detention facilities. President Rehak stated that he would like to go on the record against investing in these companies.

### **Callan Associates**

### **2nd Quarter Performance Report**

Ms. Weymouth, Mr. Haddad and Ms. Miller-May reviewed the second quarter performance report ending June 30, 2018. They reported that the Fund was valued at \$10.8B at the end of the second quarter, representing a decrease of \$78.3M from March 31, 2018. They also reported that investment gains of \$79.1M were offset by negative net cash outflow activity of \$157.5M during the quarter and that overall the portfolio's asset allocation was close to its strategic targets at the end of the quarter, reflecting a slight underweight to private equity and real estate. They reported that for the second quarter, the Fund underperformed the Policy Target benchmark by 15 basis points, net of fees, ranking in the 71st percentile of peers. For the fiscal year, the Fund outperformed the Policy Target benchmark by 60 basis points, gross of fees, with a return of 8.96%, and outperformed the Policy Target benchmark by 33 basis points, net of fees, with a return of 8.69%, ranking in the top 40 percentile of peers. They each addressed questions raised by the Board.

Ms. Angela Miller-May also reported on the current RFPs that have been approved by the Board and are currently in progress.

**Prohibited Vendor List**

Ms. Angela Miller-May reviewed the Prohibited Vendor List. Ms. Miller-May addressed questions raised by the Board.

**Real Estate Assets Performance Report**

Ms. Miller-May, Chief Investment Officer, Mr. John Freihammer, Alternatives Portfolio Manager, and Ms. Lauren Sertich of Callan Associates, reviewed the real estate assets performance report ending March 31, 2018. They reported that the portfolio is below the target allocation and that dividends are being reinvested into core funds. Additional capital will be allocated to PRISA II, Clarion LIT, and LaSalle Property. They also stated that the portfolio is well positioned with 86% of the portfolio in funds that pursue “Core” strategies with income producing properties. They addressed questions raised by the Board.

**Illinois Economic Report**

Ms. Angela Miller-May reported that staff is working on the Illinois Economic Report which is due on September 1, 2018. She stated that as of June 30, 2018, the Fund employed 17 Illinois-based investment managers who manage assets with a market value of \$3.3B. She noted that this represents 30.6% of the Fund’s investment portfolio. She further stated that the Fund continues to invest in Illinois and the Midwest.

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**REPORT OF THE COMMITTEE ON INVESTMENTS**

Chairperson Padilla presented the July 20, 2018, Investment Committee meeting report. (See Exhibit A)

Chairperson Padilla moved the Report of the Committee on Investments to the omnibus.

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**REPORT OF THE COMMITTEE ON CLAIMS AND SERVICE CREDITS****August 2, 2018, Claims and Service Credits Committee Meeting Report Presented**

Chairperson Blackwell presented the August 2, 2018, Claims and Service Credits Committee Meeting Report. (See Exhibit B)

Ms. Rosemary Ihejirika, Chief Benefits Officer, reported on the August 2, 2018, Claims and Service Credit Committee Meeting. She reported that the committee reviewed the 2.2 formula and eligibility, as well as the NAPHSIS Death Match Services. She stated that the Committee requested further discussion and deferred these matters to a future meeting. Ms. Ihejirika addressed questions raised by the Board.

**Express Scripts 2019 Renewal Results**

Ms. Mary Cavallaro, Deputy Executive Director, reviewed the 2019 Express Scripts renewal results. She reported that the premium rates for all retirees, including the Express Scripts EGWP, are increasing an average of 0.4% in 2019. She also noted that premium rates for Medicare retirees are decreasing an average of -0.4%. Ms. Cavallaro reviewed other results and addressed questions raised by the Board.

**Motion to Accept Express Scripts 2019 Proposal, Approved**

Ms. Reilly made a motion, seconded by Ms. Nelson, to accept the Express Scripts 2019 proposal as presented.

The motion passed unanimously.

Chairperson Blackwell moved the Report of the Committee on Claims and Service Credits to the omnibus.

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**REPORT OF THE COMMITTEE ON FINANCE AND AUDIT****August 6, 2018, Finance & Audit Committee Report Presented**

Ms. Alise White, Chief Financial Officer, reviewed the August 6, 2018, Finance and Audit Committee report. She reported that Chicago Lighthouse Charter submitted a waiver request. She stated that based on claims and circumstances presented, staff believes that these are not the appropriate circumstances and recommends denying Chicago Lighthouse Charter's waiver request.

Ms. White also reported on the Frazier Prep Academy waiver request. She stated that staff recommends waiving Frazier's delinquency. Ms. White addressed questions raised by the Board.

**Motion to Deny Chicago Lighthouse Charter School Waiver Request, Approved**

Mr. Cavallero made a motion, seconded by Ms. Reilly, to deny the Chicago Lighthouse Charter School waiver request.

The motion passed unanimously.

**Motion to Approve Frazier Prep Academy Waiver Request, Approved**

Ms. Padilla made a motion, seconded by Ms. Reilly, to approve Frazier Prep Academy waiver request.

The motion passed unanimously.

**Workiva Licensing Update**

Ms. White updated the Board on the additional purchase of unlimited licenses for the Workiva CAFR software. She stated the project was going well for the 2018 CAFR and she has to provide four external licenses to the auditors. She also stated that Workiva has offered CTPF a new license purchase option for unlimited licensing to use the software across the entire organization. Ms. White stated that the purchase under this new option will be made in the next few weeks and that this will allow other CTPF departments to benefit from this software. Ms. White addressed questions raised by the Board.

Chairperson Redfeairn moved the Finance and Audit Report to the omnibus (See Exhibit C)

**Board Training**

CTPF staff covered Board Training and made presentations to the Board which included Board Docs Training (which followed the Report of the Investment Consultant, Investment Staff, and Investment Managers), Media Training, and Trustee Travel & Credit Card Use Training. Media Training and Trustee Travel and Credit Card Use Training followed Executive Session.

Ms. Ashford arrived during Board Docs Training.

**Motion to go into Executive Session, Approved**

Mr. Redfeairn made a motion, seconded by Mr. Cavallero, to go into Executive Session for the purpose of discussing litigation, return to work deliberations, personnel matters, and internal controls. The motion passed unanimously.

The Executive Session lasted from 12:02 p.m. to 3:12 p.m.

Mr. Furlong and Ms. Padilla left during Executive Session.

**Motion to go into Open Session, Approved**

Ms. Reilly made a motion, seconded by Mr. Blackwell, to go into Open Session.

The motion passed unanimously.

**Motion to Allow Staff to Finalize Part I of the Payroll Audit of Noble Charter School, Approved**

Ms. Ashford made a motion, seconded by Mr. Redfeairn, to allow staff to finalize Part I of the payroll audit of Noble Charter School.

The motion passed unanimously.

**Motion to Adopt the Recommendation of the Hearing Officer & The Return to Work Committee, Approved**

Ms. Reilly made a motion, seconded by Ms. Ashford, to adopt the Hearing Officer's and the Return to Work Committee's recommendation as to Kenneth Denton, Christine Fair, Dallas Shelton and Stanley Stearns.

The motion passed unanimously.

**Motion to Adopt the Recommendation of the Hearing Officer & The Return to Work Committee, Approved**

Ms. Reilly made a motion, seconded by Mr. Cavallero, to adopt the Hearing Officer's and the Return to Work Committee's recommendation as to Robert Bastyr, Candace Butera, Rose Marie Hensle, and Rosetta Tetteh. The motion passed by the following vote:

Ayes: Ms. Ashford, Mr. Blackwell, Mr. Cavallero, Ms. Nelson, Mr. Redfeairn, Mr. Rehak, Ms. Reilly – 7

Nays: Ms. Rodriguez – 1

**August 6, 2018, Return to Work Committee Report Presented**

Chairperson Rodriguez presented the August 6, 2018, Return to Work Committee Report and moved the same to the omnibus. (See Exhibit D)

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**REPORT OF THE PRESIDENT****Committee Appointments**

President Rehak appointed Mr. James Cavallero to the Communications and Return to Work Committees.

President Rehak appointed Ms. Lois Nelson and Ms. Maria Rodriguez to the Personnel Committee.

### **Conference Requests**

Ms. Ashford and Mr. Rehak requested approval to attend IPPFA 2018 Mid-American Pension Conference October 2-5, 2018, in Lake Geneva, Wisconsin.

Ms. Reilly requested approval to attend Value Edge Advisors 2018 Public Fund Forum September 4-6, 2018, in Laguna Beach, Calif.

### **Motion to Approve Trustee Travel, Approved**

Ms. Padilla made a motion, seconded by Ms. Reilly, to approve Trustee travel as listed above. The motion passed by the following vote:

Ayes: Ms. Ashford, Mr. Blackwell, Mr. Cavallero, Ms. Nelson, Mr. Redfeairn, Mr. Rehak, Ms. Reilly – 7

Nays: Ms. Rodriguez – 1

### **Private Prison and Private Detention Center Investments**

President Rehak reported that the Fund currently has investments in companies who own and/or operate private prisons and/or private detention centers. He stated that the Board should divest and prohibit future investments in companies who own and/or operate private prisons and/or private, immigration detention centers.

Discussion ensued regarding divesting from companies who own and/or operate private prisons and/or private, immigration detention centers.

### **Motion to Add Companies Who Own and/or Operate Private Prisons and/or Private Immigration Detention Centers to Prohibited Investments List, Approved**

Ms. Rodriguez made a motion, seconded by Mr. Redfeairn, to add companies who own and/or operate private prisons and/or private, immigration detention centers to the prohibited investments list. The motion passed by the following roll call vote:

Ayes: Ms. Ashford, Mr. Blackwell, Mr. Cavallero, Ms. Nelson, Mr. Redfeairn, Mr. Rehak, Ms. Reilly, Ms. Rodriguez – 8

### **Motion to Approve Board Training Hours, Approved**

Ms. Reilly made a motion, seconded by Ms. Nelson, to approve the August 16, 2018, Board Training hours as well as Board Training hours for future procurement and security awareness training. The motion passed unanimously.

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## **REPORT OF THE EXECUTIVE DIRECTOR**

### **Executive Director Report**

Mr. Charles Burbridge, Executive Director, reported on departmental efforts during the past month. He highlighted engagement activities during the month of July 2018. He also reminded the Board of current RFPs and the quiet period. Mr. Burbridge addressed questions raised by the Board.

### **Microsoft Licensing Agreement and Implementation Services & Converged Infrastructure Solution RFP**

Ms. Vandana Vohra, Chief Technology Officer, reported that Microsoft licensing acquired in past years at the Fund is outdated and not upgradeable. She stated that some approved strategic initiatives to be introduced this year, such as workforce mobility, advanced threat protection, and cloud integration, require newer Microsoft licensing. She stated that the Information Technology team recommends publishing an RFP for the purchase of Microsoft Volume licensing and implementation services. Ms. Vohra also reported that the current legacy data center storage and sever assets are at end-of-life. She stated that these form the backbone of the Fund's data center infrastructure and these assets are not economical to maintain and are not upgradeable. She further stated that the Information Technology team recommends publishing an RFP for the purchase and installation of a converged infrastructure solution that will provide enough storage and computing power to sustain present and future operations. Ms. Vohra addressed questions raised by the Board.

### **Motion to Issue Converged Infrastructure Solution & Microsoft Licensing Agreement and Implementation Services RFPs, Approved**

Ms. Ashford made a motion, seconded by Mr. Blackwell, to approve the issuing of a Converged Infrastructure Solution RFP and a Microsoft Licensing Agreement and Implementation Services RFP. The motion passed unanimously.

### **CTPF Departures**

Mr. Burbridge reported on staff departures. He stated that some departures are a result of employment opportunities and family events. He noted that Ms. Lauren Axel, Human Resources Manager, is leaving the Fund to pursue another career opportunity. He thanked Ms. Axel for her service to the Fund. He noted that Ms. Renee Schildgen, Associate General Counsel, is leaving the Fund to relocate geographically and thanked her for her service.

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### **OMNIBUS VOTE**

On a motion by Ms. Reilly, seconded by Mr. Blackwell, and by unanimous vote, the foregoing committee reports, which were moved to the omnibus, were approved.

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### **ADJOURNMENT**

Ms. Rodriguez made a motion, seconded by Ms. Reilly, to adjourn the meeting. The meeting adjourned at 4:55 p.m.

Respectfully submitted,

Jeffery Blackwell  
Recording Secretary



Chicago Teachers' Pension Fund



## Exhibit A

Date: July 20, 2018

Submitted by: Tina Padilla, Chairperson

Meeting Time: 9:34 a.m. — 12:35 p.m.

**INVESTMENT COMMITTEE REPORT****ATTENDEES**

<b>Trustees</b>	<b>Staff</b>	<b>Consultant</b>
Ms. Tina Padilla, Chairperson	Ms. Angela Miller-May, Chief Investment Officer	Ms. Brianne Weymouth, Callan Associates
Ms. Lois Ashford Mr. Jeffery Blackwell Ms. Lois Nelson	Mr. John Schomberg, Chief Legal Officer	
Ms. Mary Sharon Reilly	Ms. Mary Cavallaro, Deputy Executive Director	

**AGENDA ITEMS**

- Education Session
  - Investment Process Overview
- Due Diligence Presentations

**Education Session****Investment Process Overview**

Ms. Angela Miller-May, Chief Investment Officer, and Ms. Brianne Weymouth, Callan Associates, gave an overview of the Investment management process. Ms. Miller-May stated that there are five steps in reviewing and selecting investment managers. Ms. Miller-May and Ms. Weymouth reviewed each step and recommended fiduciary process for all types of funds. They each addressed questions raised by the Committee.

**Due Diligence Presentations**

Representatives from BMO Global Asset Management, Adams Street Partners, Mesirow Financial, JP Morgan Strategic Property Fund & Infrastructure, Fortress Japan, CityView Southwest Multi-Family and Capri Real Estate, presented to the Board. The managers reviewed organization, strategy, performance and fees. The managers addressed questions raised by the Trustees.

**Adjournment**

The meeting adjourned at 12:35 p.m.





Chicago Teachers' Pension Fund

**Exhibit B****CLAIMS AND SERVICE CREDITS COMMITTEE REPORT****Date: August 2, 2018****Submitted by: Mr. Jeffery Blackwell,  
Chairperson****Meeting Time: 9:36 a.m.—10:40 a.m.****ATTENDEES**

<b>Trustees</b>	<b>Staff</b>	
Mr. Jeffery Blackwell, Chairperson	Ms. Mary Cavallaro, Deputy Executive Director	Ms. Adriane McCoy, Internal Audit Director
Mr. James Cavallero	Ms. Rosemary K. Ihejirika, Chief Benefits Officer	
Ms. Maria Rodriguez	Ms. Ketki Shah, Compliance Manager	
	Mr. Edgar Samayoa, Process Improvement & Analysis Manager	
	Ms. Jenn Pentangelo, Pensions Manager	
	Mr. John Schomberg, Chief Legal Officer	

**AGENDA ITEMS**

1. Review of 2.2 Formula Eligibility
  - a. Retirees Placed into Pay Status (Based on Reciprocal Service) Using 2.2 Formula
  - b. Recommendation
2. NAPH SIS Death Match Services
3. Master Overpayment Report
4. Status Report – Finalizing Pension Calculations

**DISCUSSIONS****Review of 2.2 Formula Eligibility**

Ms. Rosemary Ihejirika, Chief Benefits Officer, and Mr. Edgar Samayoa, Process Improvement & Analysis Manager, reported that a member retired and is requesting to receive a CTPF pension calculated using the 2.2 formula. This member stopped working for CPS in 1993. The member has reciprocal service with another fund after 1993, however, but has elected not to retire under reciprocity. This member's inquiries lead CTPF staff to review all pensions with reciprocal service that were calculated using the 2.2 formula. It was found that 11 retirees did not meet 2.2 upgrade eligibility. Chairperson Blackwell requested that further discussion of the matter be deferred to a future meeting.

### **NAPHSIS Death Match Services**

Ms. Ihejirika and Ms. Jenn Pentangelo, Pensions Manager, reported that CTPF sent a file to NAPHSIS Death Match Services and received a file resulting in 827 records with an assortment of matching data. Jenn stated that based on these results, CTPF confirmed the deaths of 23 members in payee status. Terminated pensions have revealed an estimated \$2,603,078.97 in overpayments thus far. Overpayment recovery attempts continue. Research of the NAPHSIS Death Services results file continues.

### **Master Overpayment Report**

Ms. Ihejirika and Ms. Pentangelo reported that CTPF has recovered approximately \$803,271.08 in overpayments from 138 cases. There were an additional 51 cases of ongoing efforts to recuperate overpayments. The 51 overpayments represent an approximate amount of \$483,252.72. The overpayments were due to various reasons. The report was submitted to the Drop Box and will be better formatted for readability when printing and will be updated to include all types of refunds that have been identified to date.

### **Status Report – Finalizing Pension Calculations**

Ms. Ihejirika and Ms. Ketki Shah, Compliance Manager, reported that there are currently 1829 payments pending finalization. Significantly, there are approximately 1088 members who have retired and 674 members requiring audit due to CPS settlements.

## **RECOMMENDATIONS**

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Further discussion was deferred.

**The meeting adjourned at 10:40 a.m.**



Chicago Teachers' Pension Fund



## Exhibit C

Date: August 6, 2018

Submitted by: Mr. Gregory Redfeairn,  
Chairperson

Meeting Time: 9:36 a.m.—1:05 p.m.

**FINANCE & AUDIT COMMITTEE REPORT****ATTENDEES**

Trustees	Staff	Consultants
Trustee Gregory Redfeairn, Chairperson	Mr. Charles Burbridge, Executive Director	Mr. Joseph Burns, Board Counsel
Trustee James Cavallero	Ms. Mary Cavallaro, Deputy Executive Director	
Trustee Tina Padilla	Ms. Alise White, Chief Financial Officer	
Trustee Mary Sharon Reilly	Mr. John Schomberg, Chief Legal Counsel	
Trustee Maria Rodriguez	Ms. Adriane McCoy, Internal Audit Director	
	Ms. Angela Miller-May, Chief Financial Officer	
	Ms. Rosemary Ihejirika, Chief Benefits Officer	

**AGENDA ITEMS**

1. FY 2018 GRS Actuarial Presentation
  - Stress Testing Scenarios based on Actuarial Valuation Results as of June 30, 2017
  - 2018 Actuarial Experience Study covering the period July 1, 2012 through June 30, 2017
  - 2018 Investment Return Assumption Review
2. Workiva CAFR Software Update
3. Report on Employer Payroll Delinquencies and Payroll Audit Adjustments
  - Delinquency Waiver Request from the Chicago Lighthouse Charter School
  - Recommendation Regarding Frazier Preparatory Academy
4. Executive Session
  - Litigation
  - Personnel
  - Internal Controls

**DISCUSSIONS**

### **FY 2018 GRS Actuarial Presentation**

Mr. Lance Weiss and Mr. Ryan Gundersen from Gabriel, Roeder and Smith and Company (“GRS”), the Fund’s actuary, performed stress testing to illustrate the impact of events which could stress CTPF in each of the following: significant market downturn, significant volatility in annual investment return, or volatility in the number of future CTPF members. GRS reviewed the draft results of the analysis of the stress testing scenarios. Mr. Weiss and Mr. Gundersen also reviewed the preliminary draft results of a demographic experience analysis and an investment return assumption review. GRS representatives addressed questions raised by the Trustees.

### **Workiva CAFR Software Update**

Ms. Alise White, Chief Financial Officer, updated the Trustees on the additional purchase of unlimited licenses for the Workiva CAFR software. She stated that the project was going well for the 2018 CAFR and she has to purchase four external licenses for the auditors. She stated that Workiva has offered CTPF a new license purchase option for unlimited licensing to use the software across the entire organization. Ms. White stated that the purchase under this new option will be made in the next few weeks and that this will allow other CTPF departments a chance to benefit from this software.

### **Report on Employer Delinquencies and Payroll Audit Adjustments**

Ms. White reviewed late fees for employer payroll delinquencies. She indicated that several schools have now been moved into the legal process. She stated that Montessori School of Englewood has made an initial, good faith payment and that Foundations College Prep is still in compliance in regards to submitting their payroll records.

Ms. White then reviewed two waiver requests pursuant to a Board Action request. In the first request for a waiver of statutory penalties, liquidated damages, and interest due to late payroll record and pension contribution submissions, Chicago Lighthouse Charter claims that their previous management company went out of operations in Illinois in June 2017 with many unresolved issues and very little financial information. In addition, they also claim that funding for the 2017-2018 school year did not arrive until September 5, 2017. Staff and Compliance recommend denying Chicago Lighthouse Charter’s waiver request because there was a continuing pattern of delinquencies in 2017 and 2018 after September 2017, nothing preventing them from setting up their calendar in ERS, and there were no system failures. Furthermore, Chicago Lighthouse Charter could have made payroll record submissions, of monies owed, even in the absence of funding. Based on the circumstances detailed above, Staff and Compliance also believes that these are not the “appropriate circumstances” under which to grant a conditional waiver of 70% of the statutory penalties. The committee informally, but unanimously, agreed with CTPF staff to make the recommendation to the full Board to deny Chicago Lighthouse Charter’s waiver request.

Frazier Prep Academy (“Frazier”) received an invoice reflecting a payment by Frazier of \$12,421.91 that, due to CTPF error, should have been for \$11,879.05. The \$12,421.91 included an erroneous credit for \$542.86 which had previously been refunded to Frazier. Following this, Frazier submitted payment for the outstanding balance of \$14,952.78 (which, with the \$542.86, should have been for \$15,495.64) within the 30 day term. Frazier has been submitting payroll and contributions in a timely manner since

March 2018. Staff recommends waiving the \$542.86 which is over the \$500 threshold for Executive Director waiver as outlined in Section 7(b) of the CTPF Administrative Rules regarding Delinquencies and Waiver of Delinquencies/Collection Actions/Settlements. The committee unanimously agreed with CTPF staff to make the recommendation to waive Frazier's \$542.86 delinquency to the full Board.

#### **Executive Session**

##### **Motion to go into Executive Session**

Trustee Padilla made a motion, seconded by Trustee Reilly, and unanimously passed, to go into executive session for the purpose of discussing litigation, personnel, and internal controls.

The executive session lasted from 11:21 p.m. to 1:04 p.m.

##### **Motion to go into Open Session**

Trustee Rodriguez made a motion, seconded by Trustee Reilly, and unanimously passed, to go into open session.

**The meeting adjourned at 1:05 p.m.**

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

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Executive Session - Official Report

Monday, August 6, 2018

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An executive session of the Finance & Audit Committee of the Public School Teachers' Pension and Retirement Fund of Chicago was held Monday, August 6, 2018.

Chairperson Redfeairn, called the meeting to order at 11:21 p.m.

**ROLL CALL**

Members present: Mr. James Cavallero, Ms. Tina Padilla, Mr. Gregory Redfeairn, Ms. Mary Sharon Reilly, Ms. Maria Rodriguez—5.

Members absent: Ms. Lois Ashford, Mr. Jeffery Blackwell, Mr. Mark F. Furlong, Ms. Lois Nelson, Mr. Jay Rehak, Mr. Jerry Travlos, Ms. Gail Ward—7.

Also in attendance were Mr. Charles Burbridge (*Executive Director*), Ms. Mary Cavallaro (*Deputy Executive Director*), Mr. John Schomberg (*Chief Legal Officer*), Ms. Adriane McCoy (*Internal Audit Director*), and Mr. Joseph Burns (*Board Counsel*) Burns of Jacobs, Burns, Orlove and Hernandez.

Discussion ensued regarding litigation, and internal controls.

Mr. Burbridge, Ms. Cavallaro, and Mr. Schomberg did not attend the latter part of the session.

There being no further business, the executive session adjourned at 1:04 p.m.

Respectfully submitted,

Gregory Redfeairn  
Chairperson



Chicago Teachers' Pension Fund



Exhibit D

Date: August 6, 2018  
 Submitted by: Ms. Maria J. Rodriguez,  
 Chairperson  
 Meeting Time: 2:32 p.m.—3:24 p.m.

**RETURN TO WORK COMMITTEE REPORT**

**ATTENDEES**

Trustees	Staff
Ms. Maria J. Rodriguez, Chairperson	Mr. John Schomberg, Chief Legal Officer Ms. Rosemary Ihejirika , Chief Benefits Officer
<u>Other Committee Members:</u> Ms. Mary Sharon Reilly	Ms. Adriane McCoy, Internal Audit Director Ms. Jenn Pentangelo, Benefits Manager
<u>Other Trustees:</u> Mr. James Cavallero Ms. Tina Padilla Mr. Gregory Redfeairn	

**AGENDA ITEMS**

- 1. Executive Session**
  - Review of Hearing Officer’s Return to Work Appeals Recommendations
- 2. Committee Recommendation for Return to Work Appeals**

**Executive Session**

**Motion to go into Executive Session, Approved**

Mr. Cavallero made a motion, seconded by Ms. Rodriguez, to go into Executive Session. The motion passed unanimously.

The executive session lasted from 2:33 p.m. to 3:20 p.m.

**Motion to go into Open Session, Approved**

Ms. Reilly made a motion, seconded by Ms. Padilla, to go into Open Session. The motion passed unanimously.

## DISCUSSIONS/ACTIONS

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### Recommendation

The Committee made an informal recommendation to accept the Hearing Officer's recommendations to cancel the pensions from the date exceeded for the applicable school year for the following members, detailed below. Chairperson Rodriguez abstained from this informal recommendation.

LAST	FIRST	DAYS/ HOURS	DATE EXCEEDED	AMOUNT OWED	SCHOOL YEAR EXCEEDED
Bastyr	Robert	<b>157/734</b>	6/4/2015	\$5,212.67	2014- 2015
Butera	Candace	<b>101</b>	6/15/2017	\$3,737.82	2016- 2017
Denton	Kenneth	<b>104</b>	3/4/2016	\$23,780.29	2015- 2016
Fair	Christine	<b>116</b>	3/4/2016	\$13,400.09	2015- 2016
Hensle	Rose Marie	<b>108</b>	5/12/2016	\$4,084.13	2015- 2016
Shelton	Dallas	<b>101</b>	3/22/2016	\$6,552.20	2015- 2016
Stearns	Stanley	<b>107</b>	5/20/2017	\$5,962.49	2016- 2017
Tetteh	Rosetta	<b>106</b>	6/14/2016	\$3,133.91	2015- 2016



August 6

2018

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OF THE  
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Executive Session - Official Report

Monday, August 6, 2018

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An executive session of the Return to Work Committee of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held Monday, August 6, 2018.

Chairperson, Ms. Maria J. Rodriguez called the meeting to order at 2:32 p.m.

**ROLL CALL**

Committee members present: Ms. Maria Rodriguez, Ms. Mary Sharon Reilly—2.

Committee members absent: Ms. Lois Nelson, Mr. Jerry Travlos—2

Other Trustees present: Mr. James Cavallero, Ms. Tina Padilla, Mr. Gregory Redfeairn—3

Also in attendance were Mr. John F. Schomberg (*Chief Legal Officer*), Ms. Adriane McCoy (*Internal Audit Director*), Ms. Rosemary Iherjirika (*Chief Benefits Officer*), Ms. Jenn Pentangelo (*Benefits Manager*).

Discussion ensued regarding litigation matters and the consideration of evidence by the committee as a quasi-adjudicative body.

There being no further business, the executive session adjourned at 3:20 p.m.

Respectfully submitted,

Maria J. Rodriguez  
Chairperson

