

**AGENDA ITEM 2A.**

**APPROVAL OF MINUTES OF THE APRIL 17, 2025  
JOINT MEETING OF THE  
ILLINOIS STUDENT ASSISTANCE COMMISSION,  
THE INVESTMENT COMMITTEE AND THE INVESTMENT ADVISORY PANEL**

**Submitted for:** Action

**Summary:** This report includes the minutes of the joint meeting of the Illinois Student Assistance Commission, the Investment Committee, and the Investment Advisory Panel held on April 17, 2025

**Action requested:** That the Investment Committee approve the investment portion of minutes of the April 17, 2025 joint meeting.

**MINUTES OF THE JOINT MEETING OF THE  
ILLINOIS STUDENT ASSISTANCE COMMISSION AND  
INVESTMENT COMMITTEE AND  
INVESTMENT ADVISORY PANEL**

**Illinois Student Assistance Commission  
3rd Floor, Room 3030  
1755 Lake Cook Road, Deerfield, IL  
and  
Illinois Student Assistance Commission  
3rd Floor Conference  
500 West Monroe, Springfield, IL**

**April 17, 2025  
1:00 p.m.**

**COMMISSIONERS PRESENT IN DEERFIELD:**

Kevin Huber, Commissioner, Board Chair, Investment Committee Member  
Maureen Amos, Commissioner, Investment Committee Member  
Darryl Arrington, Commissioner, Audit Chair and Committee Member  
Elizabeth Lopez, Commissioner, Vice Chair, Audit Committee Member  
Thomas Dowling, Commissioner, Audit Committee Member  
Caleb Herod, Commissioner  
Jonathon Bullock, Commissioner (*Springfield*)  
Francene Sabens, Commissioner (*Springfield*)

**COMMISSIONERS ABSENT:**

James Hibbert, Commissioner, Investment Committee Member  
Samiha Syed, Student Commissioner

**INVESTMENT COMMITTEE MEMBERS PRESENT:**

Kevin Huber, Investment Committee Member  
Maureen Amos, Investment Committee Member

**INVESTMENT COMMITTEE MEMBERS ABSENT:**

James Hibbert, Commissioner, Investment Committee Member

**INVESTMENT ADVISORY PANEL MEMBERS PRESENT:**

Carmen Heredia-Lopez, Panel Member  
Louis Paster, Panel Member  
Fernando Diaz, Panel Member  
Patrick Corcoran, Panel Member  
Paul Chatalas (1:40 p.m.), Panel Member

**INVESTMENT ADVISORY PANEL MEMBERS ABSENT:**

Karen Kissel, Panel Member  
James Hibbert, Panel Member

**STAFF PRESENT:**

Eric Zarnikow, Executive Director  
Shana Rogers, Managing Director, RPPA (*Springfield*)  
Ellen Greenan, Deputy Director, MAP Forecasting and Analysis (*Springfield*)  
Katherine Gricevich, Director of Government Relations (*Springfield*)  
Kishor Desai, Chief Internal Audit Officer  
Roger Rojas, Director of Investments  
Harikumar Pillai, Chief Information Officer  
Rolake Adedara, Chief Financial Officer  
Stephanie Schmitz-Bechteler, Managing Director, Program Services and Compliance  
Natalie Wandall, Secretary to Commission  
Tiara Woods, Interim Director, Human Resources and Development  
Michael Wilder, Network Technician/LAN Administrator  
Lisa Schlessinger, Deputy General Counsel  
Lisa Murphy-Coveny, General Counsel  
Kathryn Cataldo, Assistant General Counsel  
Lini Varughese, Deputy Director, Finance & Accounting  
Karisa Ott, Manager, Program Review, Institutional Audits  
Victoria Spivak, Director of Strategy, Research, & Impact  
Dana Mills, Director, Appropriation & Compliance  
Paul Oliver, Assistant Director, Student Engagement and Support Services  
Jacqueline Benitez, Manager, Finance and Accounting  
James Oren, Deputy Director, Data and Policy Analysis and Reporting  
Muhammed Zegar, Help Desk

**OTHERS PRESENT:**

Jim O'Connor, Callan  
Eric Hiatt University of Illinois (*Springfield*)

The joint meeting of the Illinois Student Assistance Commission, Investment Committee, and Investment Advisory Panel was called to order at 1:06 p.m.

Mr. Zarnikow, ISAC's Executive Director, began by explaining that the meeting would take place under the general provisions of the Open Meetings Act, which allow meetings to take place in two locations connected electronically provided both locations are open to the public. The meeting was being held at ISAC's offices in Deerfield and in Springfield, Illinois, both of which are open to the public. He reminded that we need a quorum of members of each public body in-person to be able to continue. He requested that everyone speak clearly into their microphones.

Chair Huber then turned the meeting over to Natalie Wandall who called for a roll call of the Commission, the Investment Committee, and the Investment Advisory Panel. A roll call of each was taken, and a quorum was established for each.

Chair Huber confirmed his ability to hear the meeting and be heard by those in attendance.

### **Item 1. Announcements**

Chair Huber announced that the next regularly scheduled joint meeting of the Commission and the Investment Committee is Thursday, June 26, 2025, which will be held at ISAC's Springfield and Deerfield locations. He noted that the Audit Committee meeting is scheduled to start at 11:00 a.m. on the same day, only in the Deerfield office. The next Investment Advisory Panel meeting is scheduled for October 23, 2025, which will be held virtually. The option to meet virtually is only available to the Investment Advisory Panel and only when it is not a joint meeting with the Commission.

Chair Huber reminded all to complete their ethics training on the state's OneNet system, and to see Natalie for any assistance. He further reminded all to complete their SEI and SSEI forms by April 25, and to contact ISAC for any assistance needed. Chair Huber reminded all of the members to complete the "Ethics Time Sheet" to record their volunteer hours spent on commission business, including time traveling to and from the meetings, working as a commissioner, committee member, or panel member.

### **Item 2A. Approval of the Minutes of the October 24, 2024 Investment Advisory Panel meeting (Action: Investment Advisory Panel Only)**

Panel Member Diaz **MOVED THAT** the Investment Advisory Panel approve the minutes of the October 24, 2024, Investment Advisory Panel meeting. Panel Member Heredia-Lopez seconded the motion, which was unanimously approved by a vote of the Panel.

### **Item 2B. Approval of the Investment Portion of the Minutes of the December 5, 2024 Joint Commission and Investment Committee Meeting (Action: Investment Committee Only)**

Committee Member Amos **MOVED THAT** the Investment Committee approve the investment portion of the minutes of the December 5, 2024 joint meeting of the Commission and Investment Committee. Committee Member Huber seconded the motion, which was unanimously approved by a vote of the Committee.

**Item 2C. Approval of the Full Minutes of the December 5, 2024 Joint Commission and Investment Committee Meeting (Action: Commission Only)**

Commissioner Arrington **MOVED THAT** the Commission approve the full minutes of the December 5, 2024 joint meeting of the Commission and Investment Committee. Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Commission.

**Item 3. Approval of the Destruction of Open Meeting Verbatim Records**

**Item 3A. Approval of the Investment Advisory Panel Open Meeting Verbatim Records for Destruction (Action: Investment Advisory Panel)**

Panel Member Diaz **MOVED THAT** the Investment Advisory Panel approve the following resolution:

**“BE IT RESOLVED** that the Investment Advisory Panel approves the destruction of the verbatim records of the open session of the April 13, 2023 Joint Commission, Investment Committee, and Investment Advisory Panel meeting as at least 18 months have transpired since the completion of that meeting and 24 months have transpired since the web posting.”

Panel Member Corcoran seconded the motion, which was unanimously approved by a vote of the Investment Advisory Panel.

**Item 3B. Approval of the Investment Committee Open Meeting Verbatim Records for Destruction (Action: Investment Committee)**

Committee Member Huber **MOVED THAT** the Investment Committee approve the following resolution:

**“BE IT RESOLVED** that the Investment Committee approves the destruction of the verbatim records of the open session of the April 13, 2023 Joint Commission, Investment Committee, and Investment Advisory Panel meeting as at least 18 months have transpired since the completion of that meeting and 24 months have transpired since the web posting.”

Committee Member Amos seconded the motion, which was unanimously approved by a vote of the Investment Committee.

**Item 3C. Approval of the Commission Open Meeting Verbatim Records for Destruction (Action: Commission)**

Commissioner Lopez **MOVED THAT** the Commission approve the following resolution:

**“BE IT RESOLVED** that the Commission approves the destruction of the verbatim records of the open session of the April 13, 2023 Joint Commission, Investment Committee, and Investment Advisory Panel meeting as at least 18 months have transpired since the completion of that meeting and 24 months have transpired since the web posting.”

Commissioner Arrington seconded the motion, which was unanimously approved by a vote of the Commission.

#### **Item 4. College Illinois! Prepaid Tuition Program Investments**

##### **Item 4A. Investment Advisory Panel Comments (Information)**

Mr. Rojas reviewed the duties and responsibilities of the College Illinois! Investment Advisory Panel and explained that the panel has provided valuable input into the investment process. Mr. Rojas provided an opportunity for the panel to discuss any issues or concerns relating to the Strategic Investment Plan (Investment Policy), Annual Report or any other subject relating to the College Illinois! Prepaid Tuition Program. No concerns or issues were raised. Chair Huber remarked on the importance and value of the timing of previous investment strategies and thanked the panel for its work.

##### **Item 4B. Investment Update (Information)**

Mr. Rojas reviewed the College Illinois! fund risk profile and performance as of December 31, 2024 as provided in the Callan quarterly report and agenda book. In addition, he presented an update on the College Illinois! Prepaid Tuition Program portfolio managers as provided in the agenda book. Mr. Rojas also reviewed the Asset Allocation, Status Updates, and Search Update sections as shown in the agenda book.

Mr. Rojas noted that in the past couple of months financials markets have experienced significant volatility, but the College Illinois trust fund has not been impacted at all by this negative market conditions thanks to the swift actions taken on April 22, 2024 to transition the portfolio to a more conservative asset allocation. He highlighted that year to date the fund has gained +1.41% while equity markets experienced a drawdown of as much as 20% from their all-time highs during this period, which is a fantastic outcome and ensures the protection of the fund assets and its surplus during challenging times. Mr. Rojas thanked the Investment Advisory Panel, Investment Committee and Commission for all their support on the transition process to the liability driven strategy.

There was a discussion regarding the remaining illiquid investments, with particular emphasis on LARP III. There was an additional discussion about whether we should consider adding some equity risk to the portfolio in the future, to which Mr. Rojas noted that he does not believe that is a good idea as it could negatively impact the plan's financial condition and potentially cause the program to become underfunded again. Given the plan's fully funded status the plan does not need to invest in equities to try and increase the plan's investment returns. Chair Huber and Mr. Zarnikow agreed with Mr. Rojas.

Panel Member Chatalas arrived at the meeting at 1:40 p.m.

##### **Item 4C: Approval of Changes to the Watch List (Action: Investment Committee)**

Mr. Rojas reviewed the Approval of Changes to the Watch List memorandum as provided in the agenda book. He noted that no managers were being recommended for addition to the Watch List. There was also no recommendation from an Investment Committee member to add an investment

manager to the Watch List. Mr. Zarnikow noted that the Watch List is meant to monitor investment managers from the quantitative as well as qualitative perspective.

#### **Item 4D: Compliance Review (Information)**

Mr. Rojas presented the Compliance Review as provided in the agenda book. No issues or concerns were identified. Mr. Zarnikow thanked Mr. Rojas for his work in negotiating lower investment manager fees.

Chair Huber stated that all College Illinois! related items on the agenda for the meeting are now complete. He invited the Investment Advisory Panel members to stay for the full meeting if they wished. Panel Members were thanked for attendance and for their service.

The Investment Advisory Panel left at 1:50 p.m.

#### **Item 5. Executive Director's Report (Information)**

Mr. Zarnikow turned the meeting to Ms. Rolake Adedara, Chief Financial Officer. Ms. Adedara reviewed the financial information for the General Revenue Fund, General Education Assistance Fund, Student Loan Operating Fund, Illinois Designated Account Purchase Program (IDAPP), and College Illinois! Prepaid Tuition Fund as shown in the agenda book.

There was discussion that a portion of the MAP appropriation set aside for agency operations was released to fund additional MAP grant awards to students. Discussion continued regarding the funds generated by IDAPP, the IVG/ING grant allocations, and the N' digo grant program.

Mr. Zarnikow provided an update about the Department of Education and the Prepare for Illinois Future program test preparation services. He noted that roll-out of the test preparation services program happened quickly and that students have already signed up for \$6 million worth of test preparation programs for free. He explained that Illinois is the first state in the country to introduce a program like this and, although it was not part of the Governor's FY26 budget, the General Assembly may include funding for it in the future.

Mr. Zarnikow provided an update about the direct admission program that is being considered by the State legislature. ISAC will have a major role in this program to help match students for acceptance to attend public institutions in Illinois. This program is a priority for the Governor. Members of the board inquired whether students will be informed that UIC, UIUC, and ISU are not included in the program, and whether UIC or UIUC will be included in the future.

Mr. Zarnikow provided an update on the ISAC Corps. The Corps is very important in helping students, families, and the state. There is a Corps alumni network, and many former Corps members are now leaders throughout the state.

Mr. Zarnikow shared that there were no financial audit findings, and thanked and congratulated the whole team for their efforts. ISAC is waiting on the results of the Compliance audit, which occurs every 2 years.

Mr. Zarnikow congratulated Ms. Natalie Wandall on 25 years of service at ISAC.

**Item 6. Approval of Fiscal Year 2026 Monetary Award Program (MAP) Revised Start-Up Formula (Action: Commission)**

Ms. Shana Rogers provided an update on the 2026 MAP start-up formula. There was urgency to institute a 4% reduction factor for both students and institutions as there were unusually high MAP claims, with the largest increase in claims in more than 20 years. Indications show that this year's claims may be even higher than last year.

Commissioner Amos expressed concerns about process of the reduction. Chair Huber remarked that the decision was very challenging but necessary, given the urgencies involved for all parties.

Commissioner Arrington **MOVED THAT** the Commission approve the revised FY26 MAP Start-Up formula that incorporates a 4 percent reduction factor, as shown in Table 6 of Agenda Item 6 in the Agenda Book.

Commissioner Lopez seconded the motion, which was approved by a vote of the Commission. Commissioner Amos abstained.

**Item 7. Approval of Proposed Administrative Program Rules and Amendments (Action: Commission)**

Ms. Stephanie Schmitz-Bechteler provided a review of the proposed changes to various administrative rules, as shown in the agenda materials, and as provided to JCAR. There was discussion regarding the wording of the teaching pledge for ECACE

Commissioner Lopez **MOVED THAT** the Commission approve the following resolution:

**“BE IT RESOLVED** that the Commission accepts the proposed administrative program rules and amendments for submission to the Joint Committee on Administrative Rules (JCAR) and, barring any unresolved objection by JCAR or material modification (unless the material modification is made to ensure compliance with any prospective amendments to the statute(s) governing these rules) the Commission authorizes the Executive Director to proceed with adopting the program rules as amended.”

Commissioner Arrington seconded the motion, which was unanimously approved by a vote of the Commission.

**Item 8. State Legislative Update (Information)**

Ms. Katherine Gricevich provided an update on the spring legislative session. ISAC budget hearings were held in both chambers. The bill enacting a direct admissions program is pending. ISAC supports bills that improve access to funding for students.

### **Item 9. ISAC Strategic Plan Update (Information)**

Ms. Tory Spivak provided an update on ISAC's strategic plan which is being implemented with feedback from staff and the community. There are regular meetings on implementation, progress reporting twice a year, and KPIs to monitor various metrics for progress. She noted that the work of the website redesign vision steering group is underway and explained that strategy work can pivot when necessary for success.

There was extensive discussion about emergency grants for students and the current effort to evaluate institutions' existing programs. When research is complete, findings will be shared at a future meeting. There was further discussion of the benefit to students, the strategy of using microgrants, the need for a matrix of support, and the benefit of coordination. There was concern that if solutions that are not implemented systemically, students could be left out.

### **Item 10. Audit Committee Update (Information)**

Commissioner Arrington provided an update from the audit committee. There were no compliance issues or audit findings.

### **Item 10A. Approve Reassessed Audit Committee Charter (Action: Commission)**

Commissioner Lopez **MOVED THAT** the Commission reassess and approve the Audit Committee charter. Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Commission.

### **Item 11. Public Comment (Information)**

No public comments were made.

### **Item 12. Closed Session (Action: Commission)**

Chair Huber stated that the last item on the agenda is the closed session, and that when the Commission returns from the closed session, the only remaining item will be to adjourn the meeting.

Commissioner Herod **MOVED THAT** the commission enter closed session to discuss litigation of an action against and affecting the public body that has been filed and is pending before a court or administrative tribunal, as authorized under section 2(c)(11) of the Open Meetings Act. Commissioner Arrington seconded the motion, which was approved by a roll call vote of the Commission.

The Committee entered closed session at 3:30 p.m.

The Committee returned to open session at 3:55 p.m.

Seeing no further business to come before the Commission, Investment Advisory Panel, and Investment Committee, Chair Huber asked for a motion to adjourn. Commissioner Dowling **SO MOVED** and Commissioner Arrington seconded that motion, which was unanimously approved by a vote of the Commission.

The meeting adjourned at approximately 3:57 p.m.

Respectfully submitted,  
Kathryn Cataldo