

AGENDA ITEM 2A.

**APPROVAL OF MINUTES OF THE SEPTEMBER 18, 2025
JOINT MEETING OF THE
ILLINOIS STUDENT ASSISTANCE COMMISSION AND
THE INVESTMENT COMMITTEE**

Submitted for: Action

Summary: This report includes the minutes of the investment portion of the joint meeting of the Illinois Student Assistance Commission and the Investment Committee held on September 18, 2025

Action requested: That the Investment Committee approve the investment portion of minutes of the September 18, 2025, Joint Meeting.

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

**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**

**September 18, 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 Audit Committee Member
James Hibbert, Commissioner, Investment Committee Member
Thomas Dowling, Commissioner, Audit Committee Member
Caleb Herod, Commissioner
Jonathan Bullock, Commissioner (*Springfield*)
Franciene Sabens, Commissioner (*Springfield*)

COMMISSIONERS ABSENT:

Elizabeth Lopez, Commissioner, Board Vice Chair, Audit Committee Member
Samiha Syed, Student Commissioner

INVESTMENT COMMITTEE MEMBERS PRESENT:

Kevin Huber, Commissioner, Board Chair, Investment Committee Member
Maureen Amos, Commissioner, Investment Committee Member
James Hibbert, Commissioner, Investment Committee Member

STAFF PRESENT:

Eric Zarnikow, Executive Director
Shana Rogers, Managing Director, RPPA (*Springfield*)
Ellen Greenan, Deputy Director, MAP Forecasting and Analysis (*Springfield*)
Katharine Gricevich, Director, Government Relations (*Springfield*)
Kishor Desai, Chief Internal Auditor Officer
Roger Rojas, Director of Investments
Harikumar Pillai, Chief Information Officer

STAFF PRESENT cond't:

Rolake Adedara, Chief Financial Officer
Dana Mills, Director, Appropriation and Compliance
Lini Varughese, Deputy Director, Finance and Accounting
Jacqueline Benitez, Manager, Finance and Accounting
Stephanie Schmitz-Bechteler, Managing Director, Program Services and Compliance
Stephanie Claudio, Program Services and Compliance (*Springfield*)
Sherry Schonauer, Assistant Director, Partner Services (*Springfield*)
Natalie Wandall, Secretary to Commission
Shonda Brown, Office Manager (*Springfield*)
Michael Wilder, Network Technician/LAN Administrator
Lisa Murphy-Coveny, General Counsel
Lisa Schlessinger, Deputy General Counsel
Kathryn Cataldo, Assistant General Counsel
Victoria Spivak, Director of Strategy, Research, & Impact
Tiara Woods, Director, Human Resources and Development Department
Lynne Baker, Managing Director of Communications
Karisa Ott, Managing Director, Institutional Audits and Compliance

OTHERS PRESENT:

Brianne Weymouth, Callan
James O'Connor, Callan
Eric Hiatt University of Illinois (*Springfield*)

The joint meeting of the Illinois Student Assistance Commission and the Investment Committee was called to order at 1:04 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 locations are open to the public. He noted that a quorum of Commissioners must be present in-person between both locations.

He then turned the meeting over to Chair Huber who called for a roll call of the Commission. A roll call of the Commission members was taken, and a quorum was established.

A roll call of the Investment Committee was taken, and a quorum was established.

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 on Thursday, December 4, 2025, at 1:00 p.m. in the Springfield and Deerfield offices. The Audit Committee will next meet at the Deerfield Office on December 4, 2025, at 11 a.m.

Chair Huber reminded Commissioners to report their time spent on Commission business on the "Ethics Time Sheet". He also reminded the members that they can be reimbursed for any expenses incurred travelling to and from the meeting.

Item 1A. Approval of the Tentative 2026 Meeting Dates and Locations (Action: Commission)

Commission Member Hibbert **MOVED THAT** the Commission approve the 2026 meeting dates and locations, as presented. Commission Member Arrington seconded the motion, which was unanimously approved by a vote of the Commission.

Item 1B. Approval of the Tentative 2026 Meeting Dates and Locations (Action: Investment Committee)

Investment Committee Member Hibbert **MOVED THAT** the Committee approve the 2026 meeting dates and locations, as presented. Committee Member Amos seconded the motion, which was unanimously approved by a vote of the Committee. Mr. Zarnikow indicated there is an additional possible meeting scheduled for May, which can be canceled if appropriate.

Item 2A. Approval of the Investment Portion of the Minutes of the June 26, 2025 Joint Commission and Investment Committee Meeting (Action: Investment Committee)

Investment Committee Member Amos **MOVED THAT** the Investment Committee approve the minutes of the June 26, 2025 Investment Committee meeting. Committee Member Hibbert seconded the motion, which was unanimously approved by a vote of the Committee.

Item 2B. Approval of the Full Minutes of the June 26, 2025 Joint Commission and Investment Committee Meeting (Action: Commission)

Commissioner Herod **MOVED THAT** the Commission approve the full minutes of the June 26, 2025 joint meeting of the Commission and Investment Committee. Commissioner Arrington seconded the motion, which was unanimously approved by a vote of the Commission.

Item 3. Executive Director's Report (Information)

Executive Director Eric Zarnikow provided an update regarding the GEAR UP grant. He explained that the GEAR UP grants in some states had been cancelled by the Department of Education, but that ISAC's GEAR UP grant has not been cancelled.

Mr. Zarnikow provided an update on the expected launch of FAFSA for the FY26/FY27 FAFSA year and various strategies that the Department of Education has been utilizing to ensure it is ready, such as various beta testing strategies.

He further provided an update regarding the Direct Admissions program. He thanked all the agency employees that have been working hard to implement the program, particularly Tory Spivak. There was discussion regarding the participating institutions and the inclusion of community colleges.

Chair Huber highlighted pages 3-7 and 3-8 of the agenda book and thanked staff for their work.

Item 4. Monetary Award Program (MAP) Start-Up Formula (Action: Commission)

There was a through presentation on the proposed MAP start-up formula by Ms. Rogers and the Commissioners had an opportunity to ask questions.

Commissioner Amos **MOVED THAT** the Commission approve the MAP formula found in Table One, as the FY2027 MAP Start-Up Formula, which is the same as the FY2026 Recompute Formula that was approved at the June 26, 2025 Commission meeting. Commissioner Dowling seconded the motion, which was unanimously approved by a vote of the Commission.

Item 5. College Illinois! Prepaid Tuition Program Investments (Information)

Item 5A. Investment Update (Information)

Mr. Rojas reviewed the College Illinois fund risk profile and performance as of June 30, 2025 as provided in the Callan quarterly report. 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. There was a discussion regarding portfolio risk, given the current events, asset allocation and inflation concerns. Mr. Rojas noted that the portfolio is largely insulated from most financial market risks.

Item 5B. Appointment of Investment Advisory Panel Members (Action: Commission)

Mr. Rojas reviewed the duties of the Investment Advisory Panel members and the process of recommendation for appointment and approval by the Commission. Mr. Rojas reviewed the

recommendation for the reappointment of Mr. Fernando Diaz and Ms. Karen Kissel as provided in the agenda book.

Commissioner Hibbert **MOVED THAT** the Commission approve the reappointment of Mr. Fernando Diaz, recommended by the State Treasurer's Office, to the College Illinois! Investment Advisory Panel, for a term expiring November 19, 2028. Commissioner Arrington seconded the motion, which was unanimously approved by the Commission.

Commissioner Herod **MOVED THAT** the Commission approve the reappointment of Ms. Karen Kissel, recommended by the Illinois Board of Higher Education, to the College Illinois! Investment Advisory Panel for a term expiring November 19, 2028. Commissioner Hibbert seconded the motion, which was unanimously approved by the Commission.

Item 5C. 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.

Item 5D. Compliance Review (Information)

Mr. Rojas presented the Compliance Review as provided in the agenda book. No issues or concerns were identified. Mr. Rojas highlighted that due to reduced work required by Callan resulting from the simplified College Illinois! investment structure that ISAC investment staff and Callan agreed on a new pricing structure going forward, which is significantly lower than the prior cost. Mr. Rojas and the Commission expressed thanks to Callan for their agreement and understanding.

Item 5E. Prepaid Tuition Program Update (Information)

Mr. Zarnikow described the current fund status. He reported that, as part of the wind down, some additional program operational functions are expected to be handled by a third-party vendor.

Item 6. Audit Committee Update (Information)

Audit Committee Chair Arrington provided an update regarding the audit committee meeting held at 11:00 a.m. earlier today.

Item 7. Public Comment

No requests for public comment were made.

Item 8. Closed Session: Closed Minutes (Action: Commission)

Commissioner Dowling **MOVED THAT** the Commission enter closed session to discuss personnel matters and pending litigation, as allowed by subsection 2(c)(1) and 2(c)(11) of the Open Meetings Act. Commissioner Hibbert seconded the motion, which was unanimously approved by a roll call vote.

The Commission entered closed session at 1:58 pm.

The Commission re-entered open session at 2:28 pm.

Item 9. Approval of Closed Session Items.

Chair Huber thanked and praised Mr. Zarnikow for his professionalism and expertise in leading the agency and expressed the Commission's appreciation for his work. Commissioner Amos expressed gratitude for his presence, leadership, and vision. Mr. Zarnikow expressed thanks for the Commission and the agency team that are critical for advancing the agency's mission every day.

Commissioner Hibbert **MOVED THAT** the Commission approve a salary increase for Executive Director Zarnikow of 4.0%, effective July 1, 2025, which is the same percentage increase that was generally given to ISAC employees effective July 1, 2025. Commissioner Arrington seconded the motion, which was unanimously approved by the Commission.

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

The meeting adjourned at approximately 2:33 p.m.

Respectfully submitted,
Kathryn Cataldo