

MINUTES OF THE
EXECUTIVE COMMITTEE
MEETING HELD
WEDNESDAY, OCTOBER 28, 2009 – 10:00 A.M.

Present: Committee Members John Casey
 Thomas Hoffman
 Fred Montgomery, via telephone
 Ronald Powell

Staff William Atwood
 Emily Reid
 Linsey Schoemehl
 Katherine Spinato

Guest Marquette Associates
 Brian Wrubel

Absent: Committee Member None

ROLL CALL

Chairman Powell called the meeting to order at 10:05 a.m. The Secretary called the role and noted that a quorum was present.

Mr. Casey moved to allow Mr. Montgomery to participate via telephone. Judge Hoffman seconded and the motion passed unanimously.

MINUTES OF PREVIOUS MEETING

Judge Hoffman moved to approve the minutes of the Executive Committee meeting held August 18, 2009, in the form previously submitted. Mr. Casey seconded and the motion passed unanimously.

DEFERRED COMPENSATION – CONSIDERATION OF HARDSHIP APPEALS

Chairman Powell stated that Hardship Appeal requests had been received and a copy of the recommendation of the hearing officer previously distributed. Following review and discussion, Mr. Casey moved to approve and accept the recommendation of the Hearing Officer and uphold the decision of the Hardship Committee to deny hardship distributions in the cases of Patricia Bridges (H/S 09-381), Ramon Ribay (H/S 09-384), and Mark Atwood (H/S 09-395). Judge Hoffman seconded and the motion passed unanimously. (Official minutes contain attachments.)

2009 ANNUAL REPORT DESIGN

Following discussion, Judge Hoffman moved to accept the Staff recommendation to utilize McGuire Associates for the design and preparation of the 2009 Annual Report, as outlined in the memorandum “Design and Layout of 2009 Annual Report” dated October 21, 2009. Mr. Casey seconded and the motion passed unanimously. (Official minutes contain attachment.)

MINORITY BROKERAGE USAGE REPORTING – FY 2009

Director Atwood reported that errors were found in the previously reported minority brokerage usage and referred the Committee members to the memorandum “FY 2009 Minority Brokerage Report, Revised” dated October 21, 2009. Following discussion, Judge Hoffman moved to approve the revised Minority Brokerage Report for June 30, 2009, as submitted. Mr. Casey seconded and the motion passed unanimously. (Official minutes contain attachment.)

MATTERS RELATING TO EXISTING MANAGERS

Director Atwood reported that Lynmar had made a fee adjustment in accordance with the most favored nation provision and the Investment Management Agreement was being amended.

PERSONNEL MATTERS

Judge Hoffman moved to go into Executive Session to discuss specific investment manager contracts (5ILCS 120/2 (c)(7)) and employment of specific ISBI employees (5 ILCS 120/2(c)(1)). Mr. Casey seconded and the motion passed unanimously.

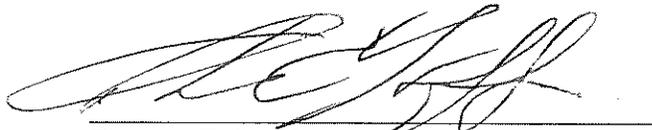
Following Executive Session, Judge Hoffman moved to return to the open meeting. Mr. Casey seconded and the motion passed unanimously.

Judge Hoffman moved to approve and ratify the actions of Director Atwood in placing the Portfolio Manager for Emerging/Minority Managers on administrative leave effective October 9, 2009 and terminating employment effective October 31, 2009. Mr. Casey seconded and the motion passed unanimously.

NEXT MEETING AND ADJOURNMENT

At 10:55 a.m., there being no further business to come before the committee, Judge Hoffman moved to adjourn. Mr. Casey seconded and the motion passed unanimously.

Respectfully submitted,



Thomas E. Hoffman, Recording Secretary
Illinois State Board of Investment



Ronald E. Powell, Chairman
Illinois State Board of Investment