

1 ILLINOIS FINANCE AUTHORITY  
2 SPECIAL MEETING OF THE GOVERNANCE  
3 PLUS COMMITTEE MEMBERS  
4 May 13, 2019, at 2:00 p.m.  
5

6 REPORT OF PROCEEDINGS had at the Special  
7 Meeting of the Governance Plus Committee on May 13,  
8 2019, at the hour of 2:00 p.m., pursuant to notice,  
9 at 160 North LaSalle Street, Suite S-1000, Chicago,  
10 Illinois.

11 APPEARANCES:

12 ILLINOIS FINANCE AUTHORITY  
GOVERNANCE PLUS COMMITTEE MEMBERS  
13

COMMITTEE CHAIRWOMAN BETH SMOOTS

14 (via audio conference)

MR. MIKE GOETZ

15 MR. GEORGE OBERNAGEL (via audio conference)

MR. ROGER POOLE (via audio conference)

16 MR. JEFFREY WRIGHT (via audio conference)

MR. ERIC ANDERBERG ex officio, non-voting

17 (via audio conference)

18 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

19 MR. CHRISTOPHER B. MEISTER, IFA Executive Director

MR. JACOB STUCKEY, IFA Deputy Executive Director

20 MS. SARAH MANKOWSKI, HR Manager

MR. RYAN OECHSLER, IFA Associate General Counsel

21 MS. ELIZABETH WEBER, IFA General Counsel and Legal

Adviser to the Board  
22

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23 Brad Benjamin, CSR

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1 CHAIR SMOOTS: I'd like to call the meeting to  
2 order.

3 And will the Assistant Secretary  
4 please call the roll?

5 OECHSLER: Certainly. The time is 2:00 o'clock  
6 p.m.

7 Mr. Goetz?

8 GOETZ: Here.

9 OECHSLER: Mr. Obernagel via audio conference?

10 OBERNAGEL: Here.

11 OECHSLER: Mr. Poole via audio conference?

12 POOLE: Present.

13 OECHSLER: Committee Chairwoman Smoots via  
14 audio conference?

15 CHAIR SMOOTS: I am here.

16 OECHSLER: Do we have Mr. Wright on the line?

17 (No response.)

18 OECHSLER: And Chair Anderberg, ex-officio,  
19 non-voting, via audio conference?

20 ANDERBERG: I am here.

21 OECHSLER: Ms. Committee Chairwoman, a quorum  
22 of Committee Members has been constituted.

23 CHAIR SMOOTS: Thanks very much. And let's  
24 proceed Agenda Roman Numeral Item II: Review and

1 Adoption of the Minutes of the Governance, Personnel,  
2 Legislation, and Ethics Committee Meeting from  
3 April 9, 2019.

4 Does anyone wish to make any  
5 additions, edits, or corrections to the Minutes from  
6 April 9, 2019?

7 (No response.)

8 CHAIR SMOOTS: Hearing none, I would like to  
9 request a motion to approve those minutes.

10 Is there such a motion?

11 OBERNAGEL: Obernagel approves.

12 POOLE: Second. Roger Poole.

13 CHAIR SMOOTS: All those in favor?

14 (Chorus of ayes.)

15 CHAIR SMOOTS: Anyone opposed?

16 (No response.)

17 CHAIR SMOOTS: The ayes have it.

18 OECHSLER: Excuse me, Beth. Did we have  
19 someone else join the line?

20 WRIGHT: This is Jeffrey Wright.

21 OECHSLER: Please let the record show that  
22 Committee Member Wright has joined the meeting.

23 Thank you.

24 CHAIR SMOOTS: We'll move on with Agenda Item

1 Roman Numeral III: Resolution Updating the  
2 Designation and/or Scope of Certain Committees of the  
3 Illinois Finance Authority; and Related Matters.

4 WEBER: Yes. This is Elizabeth Weber  
5 presenting that item.

6 The Authority adopted its current  
7 Committee Organization Plan in 2015 to streamline  
8 operations and promote the efficient use of the  
9 Authority's volunteer members' time.

10 The designations and scopes of the  
11 committee in the 2015 plan reflected the Authority's  
12 needs at that time, but since then the Authority's  
13 needs have changed.

14 A marked copy showing the proposed  
15 changes to the 2015 plan was sent by e-mail to the  
16 Committee Members earlier today, but I'd like to  
17 summarize those for you.

18 The key changes to the current  
19 Committee Organization Plan as set forth in the  
20 resolution presented today are as follows:

21 One, the scope of the Direct and  
22 Alternative Financing Committee is expanded to  
23 specifically include the State of Illinois Clean  
24 Water Initiative Revolving Fund, otherwise referred

1 to the SRF -- the transactions under the SRF.

2 Two, the designation of the Tax-Exempt  
3 Conduit Transactions Committee has changed to Conduit  
4 Financing Committee, and its scope is expanded to  
5 include all conduit transactions whether taxable or  
6 tax-exempt.

7 MEISTER: And, Counsel Weber, will that include  
8 Commercial Property Assessed Clean Energy Financing,  
9 CPACE?

10 WEBER: It would. It would include C-PACE.

11 Three, the resolution clarifies the  
12 procedure for temporary designation of an alternate  
13 leader of a committee meeting in the event the  
14 committee chair is unavailable to lead the meeting.  
15 In such a situation, the chairperson may select  
16 another member to lead the meeting.

17 Four, the resolution clarifies that  
18 the committees are advisory only, and that matters  
19 need not be considered by the committee prior to  
20 being added to the Full Board Agenda.

21 And, last, number five, the Authority  
22 chairperson or vice chairperson are authorized to  
23 make further changes to the Committee Organization  
24 Plan provided they give notice of the changes to the

1 other members.

2 Does any Member have any questions or  
3 comments?

4 (No response.)

5 CHAIR SMOOTS: Hearing none, are we ready to  
6 move to a motion? I think we are.

7 POOLE: So moved.

8 CHAIR SMOOTS: I'd like -- I would to request a  
9 motion to recommend that -- this resolution for  
10 approval.

11 Is there such a motion?

12 POOLE: Yes, ma'am. So moved.

13 GOETZ: Second. I'll second it. This is  
14 Mike Goetz.

15 CHAIR SMOOTS: All those in favor?

16 (Chorus of ayes.)

17 CHAIR SMOOTS: Anyone opposed?

18 (No response.)

19 CHAIR SMOOTS: The ayes have it.

20 Moving on to Roman Numeral No. IV,  
21 which is a subject-matter-only topic regarding Talent  
22 Retention, Development and Acquisition.

23 Jacob or Sarah?

24 STUCKEY: Yeah. This is Jacob Stuckey. I'd

1 like to -- I'll take the lead on this. Sorry. I'm  
2 switching seats so you can hear me better. Can  
3 everybody hear me okay?

4 POOLE: Yeah.

5 CHAIR SMOOTS: We can see you better there too.

6 (Laughter.)

7 STUCKEY: Good afternoon. I'd like to draw  
8 your attention to the Talent Retention, Development and  
9 Acquisition memo in your packet. This is also under  
10 Tab 13 in the board book.

11 This memo is providing background  
12 information on the approach the Authority is taking  
13 to retain, develop, and acquire talent given some of  
14 the complexities presented in our current hiring  
15 environment, including the Rutan ruling.

16 For those of you that are not familiar  
17 with the state's Rutan process, under the Background  
18 you'll see that Rutan versus Republican Party. The  
19 Supreme Court held that part -- that -- I'm sorry --  
20 in part, that the hiring decision involving low-level  
21 public employees may not be based on political party  
22 affiliation and support.

23 The Rutan case was subsequently  
24 redefi- -- refined and incorporated into the State's

1 hiring practices by further litigation and rules and  
2 is generally known in the State of Illinois  
3 government as "the Rutan process."

4 State employment positions are  
5 generally categorized under two categories, one being  
6 Rutan-Covered and the other being Rutan-Exempt. For  
7 Rutan-Exempt positions, party affiliation --  
8 political party affiliations can be considered as  
9 part of the hiring process. For Rutan-Covered  
10 positions, party affiliation cannot be covered.

11 Being that the Authority is a  
12 statutory body politic and corporate with broad,  
13 enumerated employment powers and is distinguishable  
14 from governmental agency, the Authority is not subject to the  
15 pers- -- meaning, the Authority is not subject to the  
16 Personnel Code, it is not part of the Collective  
17 Bargaining Rights. The State's Rutan process does  
18 not apply to the Authority.

19 The Authority, though, recognizes the  
20 merit of the process, and is therefore adopting a  
21 talent retention, development and acquisition  
22 framework that is consistent with the broad  
23 principles and objectives of the State's Rutan  
24 framework.



1           This updated hiring process builds  
2 upon the extensive work that was completed over the  
3 last year.

4           Sorry. I have to turn it over.

5           The Estate's Authority -- the  
6 Authority's updated hiring process is two-prong:  
7 differentiating positions that will be Rutan-Covered  
8 and ones that will be Rutan-Exempt. For all  
9 Authority employees regardless of the categories --  
10 regardless of those categories, will remain at will.  
11 Generally, direct reports to the Executive Director  
12 are most likely to meet the criteria of Rutan-Exempt.

13           The Authority recognizes that -- the  
14 importance not only bringing talented staff, but also  
15 retaining and developing existing staff.

16           The Authority is also in the process  
17 of reviewing employee handbook, refining policy --  
18 and refining policies in order to develop a  
19 comprehensive approach to retaining and developing  
20 staff.

21           Policies under consideration include  
22 but are not limited to parental leave, tuition  
23 reimbursement, compassion leave, bereavement leave,  
24 wellness, and incentive programs.

1                   I would like to thank Sarah for her  
2           tremendous efforts in putting together the  
3           Policies and -- Policies and Processes for the  
4           Authority.

5                   And I thank you guys for your time,  
6           and I'm happy to answer any questions.

7           CHAIR SMOOTS: Anybody have any discussion with  
8           regard to this?

9                   (No response.)

10           CHAIR SMOOTS: Thank you, both Sarah and Jacob,  
11           for putting that together. It's -- the whole Rutan  
12           thing is -- I think it's important. But it's also  
13           important for all of us to understand, and this  
14           document gives us some nice guidelines for that.

15           GOETZ: We don't have to vote on this, right?

16           STUCKEY: No. It's just a subject-matter-only.

17           GOETZ: All right.

18           CHAIR SMOOTS: So, if no one has any comments  
19           on that, then we can move to Agenda Item No. V. It  
20           also is subject matter only, and it is an update on  
21           the Procurement Succession Process.

22                   Again, Jacob and Sarah?

23           MANKOWSKI: Excellent, Beth. I will -- this  
24           is Sarah Mankowski, and I will take this topic.

1           As I think most of you are aware,  
2 Terry Franzen currently leads our Procurement  
3 function. Terry notified the Authority early this  
4 year that he'd be leaving his position in order to  
5 relocate to Texas with his wife who received a  
6 promotional opportunity in her organization.

7           The timing was variable based on his  
8 home sale here and purchase in Texas. Since then his  
9 timing has become more clear, and he plans to leave  
10 the Authority in mid-June.

11           Just as was outlined in the memo,  
12 we're using a selection process consistent with that  
13 of Rutan-Covered positions. The same process was  
14 used for the hiring of Charles Myart, Sara Perugini,  
15 and Terry Franzen last year. And we're confident it  
16 will produce similarly strong results.

17           I have already posted the role for two  
18 weeks and received 42 applicants. I completed an --

19           POOLE: Whoa.

20           MANKOWSKI: Yeah. Yeah. Lots of volume.

21           I completed an objective review of  
22 résumés against the qualifications outlined, which  
23 resulted in six candidates moving forward to a phone  
24 screen. We've invited five of those candidates to

1 interview with us Wednesday, May 15th. We expect to  
2 make an offer by the end of this week, which will  
3 allow adequate transition with Terry.

4 Are there any questions?

5 (No response.)

6 CHAIR SMOOTS: Sounds like we're good to go.

7 Nice work, Sarah. And you've done a --

8 POOLE: Yeah. It sounds like --

9 CHAIR SMOOTS: -- along with the others.

10 Really quality work with a nice process that we can  
11 all follow along.

12 MANKOWSKI: Excellent. Thank you.

13 CHAIR SMOOTS: With that complete, we can move  
14 to Agenda Item No. VI, again, subject-matter-only.  
15 This one, Ethics Status and Update to be presented by  
16 Elizabeth or Ryan.

17 WEBER: I'm going to do that. Thank you.

18 As you know, the State's annual  
19 economic disclosure process for the Authority's  
20 members and certain staff recently concluded. I want  
21 to thank everyone for working with Mari and Ryan,  
22 particularly Ryan who stepped in when I was absent  
23 for a while due to family matters -- for working with  
24 them to timely complete your disclosures.

1           As of April 30th, all disclosure forms  
2           were submitted. And next year we expect to take what  
3           we learn this year and improve on our process, making  
4           completion and submission of the disclosure forms  
5           easier and smoother.

6           With respect to the Annual State  
7           Ethics Training, if you've completed it, thank you  
8           very much. If you have not, please do so by the end  
9           of the month. Mari can provide you with additional  
10          materials if you need them. Additionally, Authority  
11          Staff will be conducting their ethics training next  
12          month.

13          That concludes my remarks. Any  
14          questions or comments?

15          (No response.)

16          CHAIR SMOOTS: Thank you, Elizabeth.

17          With that, I think we can move on to  
18          Agenda Item No. VII: Other Business.

19          Is there any other business to come  
20          before the Members?

21          (No response.)

22          CHAIR SMOOTS: Hearing none, we'll move to  
23          Agenda Item No. VIII: Public Comment.

24          Is there any public comment for the

1 Committee?

2 (No response.)

3 CHAIR SMOOTS: And, hearing none, we can move  
4 on to our adjournment.

5 And, with that, I would like to  
6 request a motion to adjourn.

7 GOETZ: So moved.

8 CHAIR SMOOTS: Is there such a motion?

9 GOETZ: So moved.

10 OBERNAGEL: Second. Obernagel.

11 CHAIR SMOOTS: All those in favor?

12 (Chorus of ayes.)

13 CHAIR SMOOTS: Opposed?

14 (No response.)

15 CHAIR SMOOTS: The ayes have it.

16 Thank you all for attending. Thank  
17 you mostly to the Staff for organizing.

18 OECHSLER: The time is 2:13.

19 (Whereupon the above  
20 matter was adjourned.)

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