



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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Mr. Matthew Cunningham-Cook
Mr. David Sirota
International Business Times
7 Hanover Square, 5th Floor
New York, New York 10004
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Dear Mr. Cunningham-Cook and Mr. Sirota:

Your July 2nd story in the International Business Times, "*Chicago Pension Investments: Rahm Emanuel's Proposed Merger Could Benefit Campaign Donors*," contained a serious error of fact that leaves the incorrect conclusion that the trustees and staff of Teachers' Retirement System accept gifts from asset managers seeking investments from TRS.

Nothing could be further from the truth.

In the story, you state, "The Chicago Teachers (sic) Pension Fund has stronger gift rules than the state pension system, including a total ban on gifts from asset managers seeking new business from the fund. In other words, GTCR, Grosvenor, and Madison Dearborn are banned from making gifts to Chicago pension fund trustees and staff but could make gifts to those on the state fund."

In reality, TRS staff and trustees are prevented, by both state law and TRS policy, from accepting gifts from "asset managers seeking new business."

Both the Illinois Pension Code – 40 ILCS 5/1-125 – and the State Officials & Employees Ethics Act – 5 ILCS 430/10-10 – state that no staff member or trustee of TRS "shall solicit or accept any gift from any prohibited source." These prohibitions have been in place since 2003.

A "prohibited source" includes any person:

- seeking official action from TRS staff or trustees
- seeking business with TRS
- that has interests substantially affected by performance or non-performance of TRS staff or trustees
- that is a registered lobbyist
- that is an agent of, a spouse of, or an immediate family member of a prohibited source.

In addition, TRS Personnel Policy 510 (V) (F) says, "No gift of any kind may be accepted from a vendor under consideration..." This policy was put in place in 2000.

A correction to this misinformation in the International Business Times is required.

Sincerely,

Dick Ingram
Executive Director
Teachers' Retirement System of the State of Illinois