



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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News

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TRS EXPANDS WMBE PARTICIPATION IN SYSTEM INVESTMENTS

SPRINGFIELD – The Teachers' Retirement System Board of Trustees today approved series of investments totaling \$905 million, including an initial \$50 million commitment through the System's Emerging Manager Program to a two-year-old woman-owned money management firm.

The initial commitment of \$50 million to **Quadratic Capital Management of Greenwich, Connecticut**, included the potential for additional TRS commitments that could total as much as \$100 million for investment opportunities in absolute return strategies.

Through the end of calendar year 2014, more than \$7 billion, or 16.1 percent of the System's \$44.7 billion in assets, were administered by women or minority owned money management firms. This total exceeded the System's current goal of 15 percent WMBE participation within the TRS investment program.

“We continue to actively seek out and evaluate money management firms owned by minorities and women to become part of the TRS investment program. Our goal is to ensure that the administration of investments on behalf of our 350,000 members reflects the diverse strengths of the State of Illinois,” said TRS Executive Director Dick Ingram.

In other action by the during the TRS Board's regularly-scheduled February meeting, the trustees:

- Approved a commitment of up to \$300 million within the System's Real Estate portfolio to **The Blackstone Group of New York, New York** for real estate investment opportunities around the world. Blackstone currently administers \$533.8 million in TRS assets.
- Approved a \$300 Million commitment within the Real Estate portfolio to **Lone Star Funds of Dallas, Texas** for real estate investment opportunities around the world. Lone Star currently administers \$22.3 million in TRS Real Estate assets.

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- Approved a commitment of up to \$75 million within the System’s \$5.2 billion Private Equity portfolio to **RRJ Capital, of Hong Kong**, for international investment opportunities.
- Approved a commitment of up to \$50 million within the Private Equity portfolio to **Institutional Venture Partners of Menlo Park, California** for private equity investment opportunities.
- Approved a commitment of up to \$50 million within the Private Equity portfolio to **New Enterprise Associates of Menlo Park, California** for private equity investment opportunities.
- Approved a \$30 million commitment within the Private Equity portfolio to **The Carlyle Group of Washington, D.C.**, for private equity investment opportunities around the world. The Carlyle Group currently administers \$429.2 million in TRS assets.
- Approved a \$50 million commitment within the System’s \$7.5 billion Global Fixed Income portfolio to **Monroe Capital of Chicago** for private credit investment opportunities.
- Approved changes to the TRS Watch List:
 - Added **Herndon Capital Management of Atlanta, Georgia**, to the list. Herndon currently manages \$269 million in TRS assets within the System’s \$9.17 billion Domestic Equity portfolio.
- As approved by the TRS Board, the current Watch List is composed of:
 - **Franklin Templeton, of San Mateo, California**, which currently administers \$489 million of TRS fixed income assets.
 - **Herndon Capital Management of Atlanta, Georgia**, which currently administers \$269 million of TRS domestic equity assets.
 - The Total Return, Unconstrained, Global Inflation-Linked Bonds, Global Multi-Asset and Multi-Asset Volatility strategies of **Pacific Investment Management Company of Newport Beach, California**, which represent \$2.5 billion within the System’s \$7.5 billion Global Fixed Income portfolio and \$4.4 billion Real Return portfolio.

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About Teachers’ Retirement System

The Teachers’ Retirement System of the State of Illinois is the 39th largest pension system in the United States, and provides retirement, disability and survivor benefits to teachers, administrators and other public school personnel employed outside of Chicago. The System serves 395,000 members and had assets of \$44.7 billion as of December 31, 2014.