

**PUBLICATION OF REDACTED VERSION**  
**OF THE OEIG FOR THE AGENCIES UNDER THE GOVERNOR**  
**INVESTIGATIVE REPORT**

Case # 21-01693

Subject(s): Carlton W. Lenoir Sr.

Below is the redacted version of an investigative summary report issued by the Executive Inspector General for the Agencies of the Illinois Governor. Pursuant to section 20-50 of the State Officials and Employees Ethics Act (Act) (5 ILCS 430/20-50), a summary report of an investigation is required to be issued by an executive inspector general when, and only when, at the conclusion of investigation, the executive inspector general determines reasonable cause exists to believe a violation has occurred. If a complaint is not to be filed with the Commission for adjudication of the alleged violation, the Act further requires the executive inspector general to deliver to the Executive Ethics Commission (Commission) a statement setting forth the basis for the decision not to file a complaint and a copy of the summary report of the investigation and of the response from the ultimate jurisdictional authority or agency head regarding the summary report. 5 ILCS 430/20-50(c-5). The Act requires that some summary reports be made available to the public and authorizes the Commission to make others available. 5 ILCS 430/20-52. Before making them available, however, the Commission is to redact from them information that may reveal the identity of witnesses, complainants, or informants and may redact “any other information it believes should not be made public.” 5 ILCS 430/20-52(b).

Some summary reports delivered to the Commission may contain a mix of information relating to allegations with respect to which the executive inspector general did and did not determine reasonable cause existed to believe a violation occurred. In those situations, the Commission may redact information relating to those allegations with respect to which the existence of reasonable cause was not determined.

The Commission exercises its publication responsibility with great caution and seeks to balance the sometimes-competing interests of transparency and fairness to the accused and others uninvolved. To balance these interests, the Commission has redacted certain information contained in this report and identified where said redactions have taken place and inserted clarifying edits as

marked. Publication of a summary report of an investigation, whether redacted or not, is made with the understanding that the subject or subjects of the investigation may not have had the opportunity to rebut the report's factual allegations or legal conclusions before issuance of the report. Moreover, there has not been, nor will there be, an opportunity for the subject to contest or adjudicate them before the Commission. The subject merely has the opportunity to submit a response for publication with the report.

The Commission received this report and a response from the ultimate jurisdictional authority and/or agency in this matter from the Agencies of the Illinois Governor Office of Executive Inspector General ("OEIG"). The Commission, pursuant to 5 ILCS 430/20-52, redacted the OEIG's final report and responses and mailed copies of the redacted version and responses to the Attorney General, the Executive Inspector General for the Agencies of the Illinois Governor, and each subject.

The Commission reviewed all suggestions received and makes this document available pursuant to 5 ILCS 430/20-52. By publishing the below redacted summary report, the Commission neither makes nor adopts any determination of fact or conclusions of law for or against any individual or entity referenced therein.

– THE REDACTED VERSION OF THE EIG'S SUMMARY REPORT  
BEGINS ON THE NEXT PAGE –

## I. ALLEGATION

On August 24, 2021, the Office of the Executive Inspector General (OEIG) received a complaint alleging that former Teachers' Retirement System (TRS) Chief Benefits Officer Carlton W. Lenoir Sr. improperly forwarded proprietary and confidential TRS documents to his personal email accounts and to his new [Entity 1] email account.

## II. BACKGROUND

TRS provides retirement annuities and other benefits for educators in Illinois public common and charter school districts located outside the city of Chicago.<sup>1</sup> Mr. Lenoir became the Chief Benefits Officer of TRS in 2016. On July 6, 2021, Mr. Lenoir submitted his resignation from TRS, which became effective July 31, 2021. After leaving TRS, Mr. Lenoir started his employment as the Executive Director of the [Entity 1].

The Illinois Identity Protection Act prohibits using a Social Security number for any purpose other than the purpose for which it was collected, or using or disclosing a Social Security number, unless required to do so under state or federal law, rules, or regulations, or as otherwise necessary for the performance of an agency's duties and responsibilities.<sup>2</sup> TRS policy prohibits TRS employees from collecting, using, disclosing, or electronically removing TRS members' Social Security numbers from TRS offices, other than for the purpose for which the numbers were collected and as necessary to perform TRS job duties, or unless required by state or federal law; employees also are prohibited from transmitting Social Security numbers over the internet unless the connection is secure, or the Social Security numbers are encrypted.<sup>3</sup> In addition, TRS policy prohibits the use of TRS member records, documents, and other confidential or proprietary TRS information without authorization or for any non-TRS-business purpose.<sup>4</sup> TRS policy also provides that the TRS email system is to be used for authorized TRS business-related purposes consistent with the employee's TRS job duties and prohibits employees from using any personal or non-TRS email account for conducting TRS related business.<sup>5</sup>

## III. INVESTIGATION

### A. TRS's Discovery of Mr. Lenoir's Forwarded Emails

On November 8, 2021 and April 5, 2022, OEIG investigators interviewed TRS's [TRS Employee 1]. [TRS Employee 1] stated he has been the [Redacted] since [Redacted], became the [Redacted] in [Redacted], and has been the permanent [Redacted] since [Redacted].

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<sup>1</sup> <https://www.trsil.org/>.

<sup>2</sup> 5 ILCS 179/10 (b).

<sup>3</sup> See TRS Operating Policies-Identity Protection (4/15/2021).

<sup>4</sup> See TRS Operating Policies- Confidentiality (4/1/2021).

<sup>5</sup> See TRS Operating Policies- Technology (1/1/2021).

[TRS Employee 1] stated that he began supervising Mr. Lenoir once [TRS Employee 1] was named [Redacted] in [Redacted]. [TRS Employee 1] said that as the TRS Chief Benefits Officer, Mr. Lenoir's responsibilities included running the Members' Services Department and anything related to servicing the needs of the TRS members. [TRS Employee 1] stated that Mr. Lenoir had access to all the information in Member Services, including details about every member, and any information in the Executive Directories, including TRS policies, reports, and anything that was shared amongst the executive staff.

[TRS Employee 1] stated after Mr. Lenoir's departure from TRS, Mr. Lenoir's email account was forwarded to [TRS Employee 1] for further monitoring. [TRS Employee 1] said that on approximately August 3 or 4, 2021, he noticed Mr. Lenoir's TRS email account contained numerous outgoing emails with attachments that were emailed to Mr. Lenoir's new [Entity 1] email address and to two personal email addresses that he believed were Mr. Lenoir's. [TRS Employee 1] said Mr. Lenoir sent "quite a bit" of TRS information to himself without permission, including a report containing over 200 TRS members' Social Security numbers. In addition, he said Mr. Lenoir sent himself other reports, internal committee meeting packets, and many TRS policies and procedures.

[TRS Employee 1] said he provided Mr. Lenoir's [Entity 1] email address and two personal email addresses to TRS's IT staff, who, at [TRS Employee 1]'s request, then used them to conduct a search of Mr. Lenoir's TRS email account. [TRS Employee 1] said the IT staff confirmed that Mr. Lenoir's email activity between his State email account and those three email addresses did "pick up" after he announced his resignation. According to [TRS Employee 1], TRS updated its email systems in May 2019, and IT was unable to review Mr. Lenoir's email activity prior to the system update.

[TRS Employee 1] said the information that Mr. Lenoir forwarded to his personal email included a Benefit Overpayment Report, which contained members' names, Social Security numbers, and overpayment amounts. [TRS Employee 1] stated that TRS did not authorize Mr. Lenoir to forward himself the TRS materials that contained the TRS members' Social Security numbers, and that Mr. Lenoir would have no legitimate reason to forward himself the TRS members' Social Security numbers. In addition, [TRS Employee 1] stated it was his understanding that the emails containing the Social Security numbers were not encrypted when Mr. Lenoir emailed them.

[TRS Employee 1] said that other materials Mr. Lenoir forwarded to his personal email included two TRS investment packets containing future commitments that TRS was going to make within the investment universe, which had been sent to Mr. Lenoir with investment meeting invites. [TRS Employee 1] stated the full write-up of the commitment and any accompanying legal documents would be included in the investment packet if TRS was making commitments to those managers at the meeting. [TRS Employee 1] could not recall what decisions were made at the investment meetings that Mr. Lenoir attended but noted that TRS is highly protective of the information within the investment packets because they contain sensitive information about managers. [TRS Employee 1] stated the investment packet information about managers that Mr. Lenoir forwarded to his personal email really concerned him because it was related to private equity and hedge funds, which could have exposed TRS to violations of non-disclosure agreements and resulted in "pretty substantial penalties," although he said that TRS ultimately did not identify

any non-disclosure agreements that were implicated by the packets Mr. Lenoir forwarded to himself.

[TRS Employee 1] stated that TRS did not authorize Mr. Lenoir to forward himself the TRS materials, and Mr. Lenoir did not ask anyone for permission to do so; he just took the information. [TRS Employee 1] said that even if Mr. Lenoir was seeking to use TRS documents to help in his transition to his new position, he would not have been allowed to take documents with members' Social Security numbers. He said that he had no reason to believe that Mr. Lenoir forwarded himself the TRS materials for any legitimate TRS purpose.

## **B. OEIG's Review of Mr. Lenoir's TRS Emails**

TRS provided OEIG with emails obtained during its internal investigation, including approximately 330 emails dated between May 31, 2019 and July 30, 2021 that were forwarded from Mr. Lenoir's TRS email address to the following email accounts: [work email 1], [Personal Email 1], and [Personal Email 2].<sup>6</sup> The OEIG reviewed the [Entity 1] website, and TRS and OEIG documents in an effort to verify whether these email accounts belonged to Mr. Lenoir, and identified the following:

- The [Entity 1] website reflects that Mr. Lenoir's [Entity 1] email address is [work email 1].<sup>7</sup>
- Mr. Lenoir's TRS hiring documents revealed a resume in Mr. Lenoir's name with the email address [Personal Email 1].<sup>8</sup> In addition, Mr. Lenoir provided the OEIG with that email address during communications with him about attorney representation for scheduling an OEIG interview, and Mr. Lenoir also emailed the OEIG from that email address.
- A Revolving Door Notification of Offer form (RD-101) that Mr. Lenoir submitted to the OEIG listed [Personal Email 2] as Mr. Lenoir's email address, and Mr. Lenoir engaged in email communications with the OEIG regarding his revolving door application, using that email address.<sup>9</sup>

A number of the emails forwarded from Mr. Lenoir's TRS account to these three accounts had attachments, including TRS reports, internal committee meeting packets, and investment information. For example, on July 16, 2021, 10 days after Mr. Lenoir submitted his notice of resignation, Mr. Lenoir's TRS email address forwarded to the [Personal Email 1] and [Personal Email 2] addresses an email between Mr. Lenoir and other TRS employees with an attached TRS Benefit Overpayment Report containing over 300 TRS members' names and Social Security numbers. On July 26, 2021, Mr. Lenoir's TRS email address again forwarded this same email and

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<sup>6</sup> The documents indicate that TRS IT staff used an open date range to search for emails forwarded from Mr. Lenoir's TRS account to these three email accounts.

<sup>7</sup> [Redacted]. This report will refer to that email address as "[work email 1]."

<sup>8</sup> This report will refer to that email address as "[Personal Email 1]."

<sup>9</sup> This report will refer to that email address as "[Personal Email 2]."

attachment to the [Work Email 1] address. A line under the subject line of the forwarded email stated “Sensitivity: Confidential.”

In addition, on July 14, 2021, Mr. Lenoir’s TRS email address forwarded to the [Personal Email 1] and [Personal Email 2] addresses an email from [TRS Employee 1] with an attached Public Markets Oversight Committee meeting packet. The packet contained information for various investment funds and managers, including investment amounts, pay out amounts in incentive fees, and performance breakdowns for these investment funds/managers.

Additionally, between February 25, 2021 and February 26, 2021 (over four months before he submitted his resignation to TRS), Mr. Lenoir’s TRS email address forwarded three emails to the [Personal Email 1] and [Personal Email 2] addresses. One of the forwarded emails had an attached Investment Committee Meeting packet titled “Investment Presentations,” and each of the other emails had an attached report titled “Limited Scope Fiduciary Evaluation of Investment Practices and Policies.” All three of the attached documents were labeled “Confidential” and/or “Proprietary and Confidential.” The “Investment Presentations” document indicated that it contained “highly confidential information,” and indicated that each recipient of the presentation agreed not to copy or distribute it without the prior written consent of the presenting investment company, and to use the presentation solely for the purpose set forth in the presentation.

### **C. Mr. Lenoir’s Acknowledgments Regarding The Forwarded Materials**

During [TRS Employee 1]’s interview, he stated that in August 2021, he sent Mr. Lenoir a letter through TRS’s legal department and on behalf of TRS.<sup>10</sup> The OEIG obtained a copy of the letter, dated August 6, 2021, which stated that TRS had located a variety of TRS materials that Mr. Lenoir forwarded to his [Entity 1] and personal email addresses in the weeks following Mr. Lenoir’s resignation announcement and before his last day in the office. [TRS Employee 1]’s letter detailed the materials Mr. Lenoir forwarded to himself, including the “most concerning” to [TRS Employee 1], a benefit overpayment report containing member names and Social Security numbers. [TRS Employee 1] also wrote to Mr. Lenoir that the materials he forwarded to himself were proprietary and confidential to TRS and warned that members’ personally identifiable information is protected by law “as you well know.”

[TRS Employee 1]’s letter stated that he “must require” Mr. Lenoir to immediately delete all emails and materials that he forwarded to himself, and that Mr. Lenoir must acknowledge with his signature that these materials were not accessible to unauthorized parties. Additionally, [TRS Employee 1] stated Mr. Lenoir must acknowledge that all of the file transfers were for official business related to his duties as Executive Director of [Entity 1], and that Mr. Lenoir had taken all necessary steps to ensure that [Entity 1] was in full compliance with the terms of a “reciprocal data sharing agreement” with respect to the transferred information. The OEIG obtained and reviewed the Reciprocal Data Exchange Agreement, which is an agreement between TRS and various other

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<sup>10</sup> [TRS Employee 1] stated that the letter was drafted by TRS’s Senior Legal Counsel, with input from external legal counsel and [TRS Employee 1].

pension funds, including [Entity 1], that allows sharing data between the funds for “the sole purpose of administration and payment of benefits under the Reciprocal Act.”<sup>11</sup>

During his interview, [TRS Employee 1] clarified that, despite his reference in his letter to the Reciprocal Data Exchange Agreement, he had no reason to believe that Mr. Lenoir forwarded himself the TRS members’ Social Security numbers for the purpose of administering and paying benefits. When the OEIG asked [TRS Employee 1] about his demand that Mr. Lenoir acknowledge that the file transfers were for official business related to his duties at [Entity 1], [TRS Employee 1] clarified that TRS did not believe that Mr. Lenoir’s actions were permissible under the Reciprocal Data Exchange Agreement, but rather that he was communicating that Mr. Lenoir was obligated to maintain the confidentiality of the information he already took.<sup>12</sup>

During his interview, [TRS Employee 1] stated that on August 6, 2021, Mr. Lenoir first responded to his letter by calling [TRS Employee 1]’s personal cell phone and leaving a voicemail. Following [TRS Employee 1]’s interview, TRS provided the OEIG with an audio recording of that voicemail, in which a male voice stated the following:

Hey [TRS Employee 1], it’s Carlton. I was just calling to let you know that uh [I] got up this morning and all of the emails that, uh, I can find, uh, have been deleted. Uh, the one, uh, that related to the members’ Social Security number[s], I’m not sure why I sent that to, uh, [[Entity 1]]. I apologize about that, but uh, just wanted to let you know that everything has been deleted. Uh, just give me a call back to confirm. I’d appreciate it. Alright, thank you.

[TRS Employee 1] stated in his interview that he did not call Mr. Lenoir back after he received this voicemail.

During [TRS Employee 1]’s interview, he also stated that after he received the voicemail from Mr. Lenoir, he received a copy of his August 6 letter back with Mr. Lenoir’s signature. The OEIG confirmed that on August 6, 2021, an email was sent from the [Personal Email 2] address to [TRS Employee 1]’s State email address that stated:

All items will be deleted. I apologize to you and TRS for this misstep/oversight. My intentions were for professional reference, in my capacity as [[Entity 1]] Executive Director, to best practices observed during my time at TRS.

The email attached a copy of [TRS Employee 1]’s August 6, 2021 letter, which included a signature in Mr. Lenoir’s name under “acknowledgement.”

#### **D. Information Presented To The TRS Board**

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<sup>11</sup> The Illinois Retirement Systems Reciprocal Act allows Illinois public employees the option to combine service credit earned in any Illinois public retirement systems, ensuring full and continuous pension credit in the case of employees transferring employment from one governmental unit to another. 40 ILCS 5/20.

<sup>12</sup> [TRS Employee 1] stated that in consultation with counsel, the TRS Board decided not to notify any TRS members that their information had been compromised, in part because the Board was advised that the information Mr. Lenoir took would retain its confidentiality under the umbrella of the Reciprocal Data Exchange Agreement.

[TRS Employee 1] said that during a closed session Board meeting held on August 12, 2021, the TRS Board of Trustees was told how it was discovered that Mr. Lenoir had sent TRS materials to the three email addresses, including a file with TRS members' Social Security numbers. According to [TRS Employee 1], external legal counsel presented information during the meeting including the actions that had been taken, that a letter had been sent to Mr. Lenoir demanding that he delete the files, and options for further action.

#### **E. March 2022 Communications Between TRS And Mr. Lenoir**

[TRS Employee 1] stated that a couple of weeks prior to his April 5, 2022 OEIG interview, he sent Mr. Lenoir another email, after TRS's new general counsel determined that Mr. Lenoir had not previously confirmed that he deleted the TRS materials that he took. The OEIG confirmed that on March 29, 2022, an email was sent from [TRS Employee 1]'s State email to the [Personal Email 2] address, asking "Carlton" to confirm that he had deleted all emails and attachments that he forwarded to himself at [Entity 1] and to his personal email addresses. The same day, an email response was sent from the [Personal Email 2] address to [TRS Employee 1]'s State email address that stated:

That is confirmed. The only emails I have are congrats from the TRS staff after the [Entity 1] ED announcement and the PMOC [Public Markets Oversight Committee] materials you shared with me after attending a few of your investment meetings. Please confirm these are ok to maintain.

Documents reflect that [TRS Employee 1] sent another email to the [Personal Email 2] address, stating that the "OC" [Oversight Committee] packets generally have non-public portfolio and/or manager information, and that the manager information can be covered by non-disclosure agreements. He then reiterated his request that they be deleted. An email reply from the [Personal Email 2] address stated: "Understand. OC Packets have been deleted."

#### **F. OEIG Efforts To Interview Mr. Lenoir**

Between February 15 and March 7, 2022, the OEIG communicated with Mr. Lenoir, and then with his attorney at his request, about scheduling an interview with Mr. Lenoir. On March 7, 2022, Mr. Lenoir's attorney stated that Mr. Lenoir would exercise his Fifth Amendment rights and would not answer any of the OEIG's questions if subpoenaed. Given this representation, the OEIG elected not to subpoena Mr. Lenoir for an interview.

### **IV. ANALYSIS**

TRS employees are prohibited from collecting, using, or disclosing Social Security numbers other than as necessary for the performance of their TRS duties, under both the Illinois Identity Protection Act and TRS policy. TRS policy also prohibits TRS employees from collecting, using, copying, removing, or otherwise disseminating information in any TRS member record, or other confidential TRS information, for any non-TRS-business purpose.



While he was a TRS employee, Mr. Lenoir forwarded confidential TRS information to two personal email accounts and his [Entity 1] email account. This confidential information included over 300 TRS members' names and Social Security numbers; a Public Markets Oversight Committee meeting packet that contained investment amounts, pay out amounts in incentive fees, and performance breakdowns for TRS investment funds/managers; investment presentations described as containing "highly confidential information"; and fiduciary evaluations of investment practices and policies labeled "Proprietary and Confidential." When [TRS Employee 1] confronted Mr. Lenoir about the matter in his August 6, 2021 and March 29, 2022 communications, Mr. Lenoir did not deny that he had forwarded the TRS materials to himself and said he was not sure why he forwarded the members' Social Security numbers to his [Work Email 1] address.

In addition, it is clear that Mr. Lenoir did not forward the confidential TRS materials to his personal email accounts as part of his official TRS duties, or for the purpose of administering or paying benefits under the Reciprocal Data Exchange Agreement. [TRS Employee 1] stated that Mr. Lenoir would have no legitimate reason to forward himself the TRS members' Social Security numbers, and that he had no reason to believe that Mr. Lenoir forwarded himself any of the TRS materials for any legitimate TRS purpose. Additionally, Mr. Lenoir did not ask for or ever receive permission from TRS to take the confidential or proprietary information.

Thus, the allegation that Mr. Lenoir violated the Illinois Identity Protection Act and TRS policy by emailing himself confidential TRS member and other information, including members' Social Security numbers, for a non-TRS-business purpose is [REDACTED].<sup>13</sup>

## V. [REDACTED] AND RECOMMENDATIONS

As a result of its investigation, the OEIG concludes that there is **REASONABLE CAUSE TO ISSUE THE FOLLOWING [REDACTED]**:

- [REDACTED] – TRS Chief Benefits Officer Carlton W. Lenoir Sr. electronically removed and/or transferred confidential TRS members' Social Security numbers to his personal and other non-State email accounts, for purposes unrelated to TRS business, in violation of the Illinois Identity Protection Act and TRS policy.
- [REDACTED] – TRS Chief Benefits Officer Carlton W. Lenoir Sr. electronically removed and/or transferred other confidential TRS information to his personal and other non-State email accounts, for purposes unrelated to TRS business, in violation of TRS policy.

Because Mr. Lenoir has already left State employment, the OEIG recommends that TRS place a copy of this report in his personnel file, and not rehire him. Additionally, if TRS has not already done so, the OEIG recommends that TRS inform the [Entity 1] Board that confidential

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<sup>13</sup> The OEIG concludes that an allegation is "[REDACTED]" when it has determined that there is reasonable cause to believe that a violation of law or policy has occurred, or that there has been fraud, waste, mismanagement, misconduct, nonfeasance, misfeasance, or malfeasance.

TRS materials were sent to a [Entity 1] email account, so that the Board can take steps to ensure that such materials were not improperly used by [Entity 1].

No further investigative action is necessary, and this matter is considered closed.

Date: June 27, 2022

Office of Executive Inspector General  
for the Agencies of the Illinois Governor  
69 West Washington Street, Ste. 3400  
Chicago, IL 60602

By: **Grace Donovan**  
Assistant Inspector General

**Christopher Heuerman**  
Investigator II

[REDACTED]

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**From:** Peterson, Emily <[REDACTED]@trsil.org>  
**Sent:** Tuesday, July 12, 2022 5:11 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** [External] OEIG Case No. 21-01693 - Preliminary Response  
**Attachments:** FW: OEIG Case No. 21-01693 - Discovery Packet

Ms. [REDACTED],

This email confirms our receipt of the Final Summary Report for the subject above.

As per the attached email, TRS did not receive the Final Summary Report *until today*, due to an email address issue.

We are working to prepare a response to the Final Report. Please allow this email to serve as our preliminary response.

Emily Peterson  
General Counsel  
Teachers' Retirement System of the State of Illinois  
(217) 814-2057 | FAX (217) 753-0967  
[epeterson@trsil.org](mailto:epeterson@trsil.org) | <http://trsil.org>

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**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

2815 West Washington Street | P.O. Box 19253 | Springfield, Illinois 62794-9253

R. Stanley Rupnik, Executive Director & Chief Investment Officer

<http://www.trsil.org>

877-927-5877 (877-9-ASK-TRS)

VIA EMAIL ([REDACTED]@illinois.gov)

August 5, 2022

Ms. Angela O. Luning  
Deputy Inspector General  
and Acting Chief of Springfield Division  
Office of the Executive Inspector General  
69 West Washington St, Suite 3400  
Chicago IL 60602

Attn: [REDACTED], Senior Paralegal

Re: OEIG Case No. 21-01693: *RESPONSE TO FINAL SUMMARY REPORT*

Dear Ms. Luning:

This response is provided by the Teachers' Retirement System of the State of Illinois (TRS or the System), in response to the OEIG's Final Summary Report dated June 27, 2022, in the above-referenced matter.

Below is a summary of actions TRS has taken to address the recommendations made relative to the investigation, including any disciplinary or corrective actions.

1. A copy of the OEIG Final Summary Report has been placed in the personnel file of Carlton Lenoir. Mr. Lenoir's file has been flagged and hiring personnel have been informed that Mr. Lenoir is ineligible for rehire by the System.
2. TRS has informed the [REDACTED] by letter dated August 4, 2022, that confidential TRS materials were sent to a [REDACTED] email account. The letter requests [REDACTED] to confirm that such materials were deleted and were not improperly used or disclosed by [REDACTED].
3. The System will conduct mandatory staff training during FY23 regarding proper handling and restrictions that apply to confidential TRS data and records as required by the

following TRS Operating Policies: Technology Use, Confidentiality, and Identity Protection.

4. TRS is reviewing its internal processes and procedures to verify that controls are in place to protect confidential and proprietary information from unauthorized disclosure, as well as to ensure that access rights to data, records, and systems are no broader than needed to perform each staff member's essential job functions.

Very truly yours,

A solid black rectangular box used to redact the signature of R. Stanley Rupnik.

R. Stanley Rupnik  
Executive Director and Chief Investment Officer

May 19, 2023

Michelle Casey  
401 S. Spring Street  
William Stratton Building #515  
Springfield, IL 62706

Re: Response and Suggestions for Redaction of OEIG Report

Dear Ms. Casey,

Thank you for your letter. I am outraged that a person that I considered a colleague and friend has gone through these efforts to sabotage and destroy my name and career. And further that he has chose to weaponize the OEIG to carryout his personal vendetta against anyone hired by former TRS [REDACTED], [REDACTED], who had met with several TRS Trustees to seek [REDACTED]'s termination of employment for performance reasons in late 2019.

I have been in public service for over 35 years and have an impeccable reputation in several public pension funds in Illinois and Georgia. I cannot allow this personal attack by [REDACTED] to defame my name and character to go without a response. I caution the Ethics Commission and the Office of the Executive Inspector General to consider their mission and purpose in their consideration of releasing this report. As I wrote to [REDACTED], on August 23, 2022, I believe this to be a personal attack with inaccurate, harmful, and career ending information. Information about which I have witnesses that, were and, are willing to testify as to the inaccuracy of the information and confirming with 100% certainty the personal nature of [REDACTED]'s attack on my character and reputation.

As to the allegations, I understand that there was an OEIG recommendation by inspector Grace Donovan, that this unsubstantiated report (assuming no business justification for the emails covered by the reciprocal act) be placed in my personnel file at TRS and that I not be rehired. This, after five years of stellar performance evaluations, serving in an executive leadership capacity, representing the agency in front of the board and the Illinois General Assembly, and most importantly before validating whether a business justification existed for the emails, is unconscionable. I continue to work in government and with a reciprocal agency of TRS. Such a meritless recommendation, based on the words of a single individual with no actual knowledge of my intent or of how the information could be used, simply cannot stand.

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BY:-----

In my capacity as the Chief Benefits Officer at TRS, I had the authority to share TRS related processes and policies with our reciprocal partners, including my current employer. All reciprocal systems regularly share information. This sharing of information is a part of the Reciprocal Act (40 ILCS 5/20). To my knowledge, there was no policy that prohibited this sharing of information with reciprocal partners or other public funds and my current agency also shared similar information with TRS. All this information was in the email exchange that is documented in the report. However, those emails were not mentioned. As there was no policy prohibiting such an exchange with another public agency, as I responded to ██████ back on August 6, 2021 (one week into my new role), I planned to use the policies to establish any needed policies around pandemic response and return to office as I considered them best practice (As a member of the TRS executive cabinet, I personally was involved in the development of the policies) and I believed they would add value to the new plan if needed. I didn't know if the policies were needed. However, I wanted to be prepared to help. As it turns out, none of the policies were needed and none of the emails were ever opened. Not a single email.

As to the emailed report with member PPI. The request I made to our finance department was for a report on the number of current overpayments at TRS. Members of my new board were concerned about the number of overpayments within their plan, and I wanted to assure them that overpayments occur in all plans and give them assurance with overall numbers at my prior plan. I had no idea that the report contained PII. I was not aware until August 6, 2021, when I received the TRS letter.

As to the investment materials that "really concerned" ██████, these materials were given to me by ██████ and his team. I asked ██████ if I could shadow him during my last few days at TRS and he agreed. He sent me the investment materials in advance, and I attended the meetings. In both meetings, ██████ addressed my presence at the meetings by letting the team know that I would be observing how investments were vetted at TRS as a best practice to be taken to my new agency. I have witnesses that are willing to testify to this effect and this is why in my email to ██████ on March 29, 2022, I assumed that the POMC materials that he sent to me personally were ok to keep as they would be used to setup similar processes at my new agency.

The most troubling part of all this is that I considered ██████ a friend and colleague (thus my call to his personal cell phone) and that despite how he was treated by the prior ██████ I made a point not to be a part of excluding ██████ but continued to work with him when I was told he didn't care and could be ignored. I came to learn from others within TRS that only my email account was reviewed after my resignation from TRS and that the IT Director at the time informed ██████ that this type of scrutiny was not done on any of the five TRS Executive team members who were actually terminated from employment before July 31, 2021, some of which

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while [REDACTED] was Acting Executive Director. Further, I learned that [REDACTED] only became interested in the Executive Director role at TRS after he discovered that I had applied. He remarked at the time to a former colleague, "If Carlton becomes TRS ED, he will finish the job that [REDACTED] [REDACTED] started, and I'll be on the street."

The attack was personal, and [REDACTED] has weaponized the OEIG to further his personal vendetta on a man that never had ill will toward him. The OEIG must seriously consider any action to further this personal attack and this ultimate waste of taxpayer money on what should have been a phone conversation between two executives to clear up any misunderstanding. Any other response would violate my civil and due process rights and I am prepared to defend my name and reputation in the court of law.

Sincerely,

[REDACTED]

Carlton W. Lenoir, JD, CEBS

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BY: \_\_\_\_\_