





### ***ROLL CALL***

Chairwoman Schostok called the meeting to order at 12:50 p.m. Ms. Burns called the roll and noted that a quorum was present.

### ***MINUTES OF PREVIOUS MEETING***

Trustee Reiches moved to approve the minutes of the March 11, 2016 Audit & Compliance Committee meeting. Trustee Flores seconded and the motion passed unanimously.

### ***REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE CHAIR***

Chairwoman Schostok stated that KPMG has started ISBI's audit and that they have spent several days at ISBI's office. Chairwoman Schostok thanked ISBI Staff for cooperating with KPMG.

### ***REPORT ON THE FISCAL 2016 AUDIT***

Ms. White provided background, including the timeline, on the KPMG audit. She noted that KPMG is assigned to ISBI by the Auditor General and that KPMG is responsible for forming and expressing an opinion about whether ISBI's financial statements have been prepared in conformity with Generally Accepted Accounting Principles ("GAAP"). Ms. White further noted that the financial statements would be issued on December 30, 2016. Chairwoman Schostok noted that KPMG would present to the Committee in the near future.

### ***STAFF PERSONAL TRANSACTION REPORTS***

Director Atwood reported that there were no exceptions to report to the Staff's Monthly Personal Transaction Statements for the quarter ending December 2015.

### ***CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS***

Ms. White referred Members to the Record of Vouchers for the months of January, February, and March 2016. (Official minutes contain attachment.) Ms. White noted that there was nothing out of the order. Comptroller Munger moved to accept and file the Record of Vouchers for the months of January, February and March 2016. Ms. Reiches seconded and the motion passed unanimously.

### ***ETHICS MATTERS***

#### **Placement Agent Contact Report**

Chairwoman Schostok referred Members to the memorandum, "Placement Agent Contact Report Q4 2016". (Official minutes contain attachment.) Ms. Munger moved to accept the Placement Agent Contact Report Q3 2016. Ms. Reiches seconded and the motion passed unanimously.

#### **FY16 Fiduciary Training Opportunities and Reminder of Board Member Timesheets**

Ms. Lewis-Hozier updated Members on the required annual fiduciary training. She stated that all Members have completed their annual fiduciary training hours but noted certain Members still needed to complete the ethics portion of their training. Chairman Levine noted that the Investment Policy Committee has had educational presentations from various investment managers and consultants representing ISBI's different asset classes and encouraged Members to attend.



***NEW/OLD BUSINESS***

None.

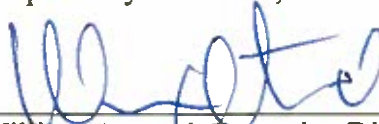
***PUBLIC COMMENT***

None.

***NEXT MEETING AND ADJOURNMENT***

Chairwoman Schostok stated that the next meeting of the Audit and Compliance Committee would be scheduled for the September meeting, official notices to be distributed at a later date. At 1:20 p.m., there being no further business to come before the Committee, Board Chairman Levine moved to adjourn the meeting. Trustee Flores seconded and the meeting was adjourned.

Respectfully submitted,



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William Atwood, Executive Director

