

**MINUTES OF THE  
AUDIT & COMPLIANCE COMMITTEE**

Friday, February 23, 2018 - 12:05 p.m.  
180 N. LaSalle St., Suite 2015  
Chicago, IL 60601

**Present:**

**Committee Members**

Mary Seminara-Schostok  
Ezequiel Flores  
Marc Levine  
Shari Greco Reiches  
Stacey Woehrle

**Board Members**

James Clayborne  
Katherine Hennessy

**Staff**

William Atwood  
Genette Bacon-Cordova  
Shannon Bond  
Shawn Evans  
Johara Farhadieh  
Ashley Fredrickson  
Mitchell Green  
James Karls  
Scott Richards  
Atul Talwar  
David Zaloga

**Guests**

Burke Burns & Pinelli, Ltd.  
Mary Patricia Burns

Illinois State Comptroller's Office  
Chasse Rehwinkel

Illinois State Treasurer's Office  
Rodrigo Garcia

Meketa Investment Group, Inc.  
Alli Wallace  
Frank Benham

Loop Capital Markets LLC  
Angela Myers

## ***ROLL CALL***

Chairwoman Schostok called the meeting to order at 12:34 p.m. in the Board Room of the Illinois State Board of Investment office at 180 North LaSalle Street, Suite 2015, in Chicago. Ms. Bond called the roll and noted a quorum was present.

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

None.

## ***CONSIDERATION AND APPROVAL OF MINUTES***

Trustee Flores moved to approve the minutes, as presented, from the December 13, 2017 Audit and Compliance Committee meeting. Trustee Woehrle seconded, and the motion passed unanimously.

## ***REPORT OF THE DIRECTOR OF OPERATIONS, ACCOUNTING, AND AUDIT***

### **Report on Status of FY2017 Audit**

Mr. Zaloga discussed the status of the fiscal year 2017 audit by external auditor, KPMG LLP. Chairwoman Schostok thanked Mr. Zaloga and Ms. Bacon-Cordova for their efforts to facilitate the audit.

## ***CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS (OCTOBER, NOVEMBER, DECEMBER 2017)***

Mr. Zaloga referred Committee Members to the Record of Vouchers paid in October, November, and December of 2017. Trustee Flores noted that it would be useful to include a comparison to the prior year in future documentation involving the Record of Vouchers.

Trustee Woehrle moved that the Record of Vouchers be approved and accepted for filing, as presented, consistent with the recommendation of ISBI's Staff. Board Chairman Levine seconded, and the motion passed unanimously.

## ***ETHICS MATTERS***

### **Consideration and Approval of Agent Contact Report**

No contact was reported. Chairwoman Schostok reminded Members to forward any emails from placement agents to Ms. Bond, ISBI's Ethics Officer.

### **Consideration and Approval of Fiduciary Training Opportunities and Reminder of Board Member Timesheets**

Fiduciary Counsel referred Members to the February 2018 list of Upcoming Training Opportunities, previously provided, and noted that travel expenses are reimbursable if approved by a majority of the Board consistent with the requirements of the Illinois Pension Code and ISBI's policies.

Trustee Reiches moved that the conferences and trainings listed on the February 2018 list of Upcoming Training Opportunities, as supplemented, be approved as presented, pursuant to

Section 1-150 of the Illinois Pension Code, and that all resulting allowable expenses incurred by Trustees be reimbursed, consistent with ISBI's policies. Trustee Woehrle seconded, and the motion passed unanimously.

***NEW BUSINESS/OLD BUSINESS***

None.

***PUBLIC COMMENT***

None.

***NEXT MEETING AND ADJOURNMENT***

Chairwoman Schostok noted that the next meeting was scheduled for June 15, 2018 and Committee Members will be notified of the time at a later date. At 12:46 p.m., there being no further business to come before the Committee, Trustee Reiches moved to adjourn the meeting. Chairwoman Schostok seconded, and the meeting was adjourned.

Respectfully submitted,



Johara Farhadieh, Executive Director/Chief  
Investment Officer