

MINUTES OF THE
AUDIT & COMPLIANCE COMMITTEE

Tuesday, May 12, 2020 - 9:00 A.M.
Remote Board Meeting
Per Executive Order 2020-33

Present:

<u>Committee Members</u>	Chairwoman Justice Mary Seminara-Schostok Michael Tarnoff Comptroller Susana Mendoza
<u>Board Members</u>	Gisela Attlan Treasurer Michael Frerichs Elizabeth Sanders Jaye Williams
<u>Staff</u>	Genette Bacon-Cordova Johara Farhadieh Mitchell Green Maryann Hong Dipesh Mehta Atul Talwar David Zaloga
<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman Illinois State Comptroller's Office Andrew Ranck Illinois State Treasurer's Office Rodrigo Garcia Allen Mayer
<u>Members of the Public</u>	Matt McCue, Financial News

ROLL CALL

Board Chairwoman Schostok called the meeting to order at 9:07 a.m. Ms. Hong noted that given the COVID-19 public health emergency, Illinois Governor Pritzker issued a disaster proclamation response. According to Governor Pritzker's executive order 2020-33, meetings of public bodies may take place without a quorum of trustees being physically present for the meeting. As such, the ISBI May Audit and Compliance Committee Meeting would be conducted by virtual means. Mr. Mehta called the roll and noted that a quorum was present for the Audit and Compliance Committee.

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE CHAIR

None.

CONSIDERATION AND APPROVAL OF MINUTES

Trustee Mendoza moved to approve the minutes, as presented, from the December 12, 2019 Audit and Compliance Committee meeting. Trustee Tarnoff seconded, and the motion passed unanimously.

REPORT ON STATUS OF FISCAL YEAR 2019 AUDIT

Mr. Zaloga discussed the Fiscal Year 2019 Audit (the "2019 Audit"). Mr. Zaloga informed Trustees that the audit was successfully completed and that there were no findings related to the financial audit report. Chairwoman Schostok praised ISBI's staff efforts, and asked if there were any questions, which there were none.

CONSIDERATION AND ACCEPTANCE OF FISCAL YEAR 2019 ANNUAL REPORT AS PRESENTED

Mr. Zaloga discussed ISBI's annual report, including using an MWDBE vendor to print and compile the report. Mr. Zaloga stated that he was satisfied with this vendor's work.

Trustee Tarnoff moved that the Fiscal Year 2019 Annual Report is accepted in form, as presented. Trustee Mendoza seconded, and the motion passes unanimously.

CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS (9/30/19)

Mr. Zaloga referred Trustees to the Financial Statements from September 30, 2019. Mr. Zaloga noted that the financial statements were in line with expectations. Mr. Zaloga asked if there were any questions, and there were none.

Trustee Tarnoff moved that the Financial Statements from September 30, 2019 be approved and accepted for filing, as presented, consistent with the recommendation of ISBI's Staff. Trustee Mendoza seconded, and the motion passed unanimously.

***CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS
(OCTOBER, NOVEMBER, DECEMBER 2019)***

Mr. Zaloga referred Committee Members to the Record of Vouchers paid in October, November, and December 2019. Board Chairwoman Justice Schostok asked members of the Committee if there were any questions regarding the Record of Vouchers and there were none.

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

ETHICS MATTERS

Consideration and Approval of Agent Contact Report

Mr. Mehta directed Committee members to the Agency Contact Report for the third quarter of fiscal year 2020.

Trustee Mendoza moved that the Agent Contact Report as presented be approved and accepted for filing as recommended by ISBI Staff. Trustee Tarnoff seconded, and the motion passed unanimously.

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

Mr. Mehta referred Members to the May 2020 list of Upcoming Training Opportunities, previously provided, and noted that travel expenses are reimbursable if approved in advance by a majority of the Board consistent with the requirements of the Illinois Pension Code and ISBI's policies. Mr. Mehta noted that many of the trainings were virtual, to account for the ongoing COVID-19 Pandemic.

Trustee Tarnoff moved that the conferences and trainings listed on the May 2020 list of Upcoming Training Opportunities as presented be approved pursuant to Section 1-150 of the Illinois Pension Code and that all resulting allowable expenses consistent with ISBI's policies be reimbursed. Trustee Mendoza seconded, and the motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

None.

PUBLIC COMMENT

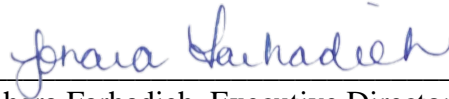
None.

NEXT MEETING AND ADJOURNMENT

Board Chairwoman Schostok noted that the next meeting was scheduled for June 25, 2020 and Committee Members will be notified of the time at a later date. At 9:26 a.m., there being no further

business to come before the Committee, Trustee Tarnoff moved to adjourn the meeting. Trustee Mendoza seconded, and the meeting was adjourned.

Respectfully submitted,



Johara Farhadieh, Executive Director/
Chief Investment Officer