

MINUTES OF THE
AUDIT & COMPLIANCE COMMITTEE

Wednesday, September 29, 2021 – 9:00 A.M.
Remote Board Meeting
Per Public Act 101-0640

Present:

<u>Committee Members</u>	Chairwoman Justice Mary Seminara-Schostok Gisela Attan Terrence Healy Comptroller Susana Mendoza Michael Tarnoff
<u>Board Members</u>	Senator Martwick
<u>Staff</u>	Genette Bacon-Cordova Mary Cahill Johara Farhadieh Jansen Hein Maryann Hong Jennifer Koelle Dipesh Mehta Alex Somolski Atul Talwar Nadia Oumata
<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman Illinois State Comptroller's Office Andrew Ranck Illinois State Treasurer's Office Allen Mayer
<u>Members of the Public</u>	Matt McCue, Financial News

ROLL CALL

Board Chairwoman Schostok called the meeting to order at 9:03 a.m. Ms. Hong noted that, in accordance with the Open Meetings Act, ISBI's Chairperson and Executive Director determined that an in-person meeting would be unfeasible. As such, the September Audit and Compliance Committee meeting would be conducted by virtual means. Ms. Hong also stated for the record that ISBI's General Counsel was physically present at the office. Mr. Mehta called the roll and noted a quorum was officially present for the Audit and Compliance Committee.

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE CHAIR

None.

CONSIDERATION AND APPROVAL OF MINUTES

Trustee Healy moved to approve the minutes, as presented, from the June 16, 2021, Audit and Compliance Committee meeting. Trustee Tarnoff seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Healy, Trustee Mendoza, Trustee Tarnoff. The motion passed unanimously.

REPORT ON STATUS OF FISCAL YEAR 2021 AUDIT

Mr. Hein gave a brief update on the status of the Fiscal Year 2021 Audit. Ms. Hein noted that interim procedures had been completed and the audit was proceeding smoothly and according to schedule. Mr. Hein asked if there were any questions and there were none.

CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS (3/31/21)

Mr. Hein referred Trustees to the Financial Statements from March 31, 2021. Mr. Hein asked if there were any questions, and there were none.

Trustee Mendoza moved that the Financial Statements from March 31, 2021 be approved and accepted for filing, as presented, consistent with the recommendation of ISBI's Staff. Trustee Healy seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Healy, Trustee Mendoza, Trustee Tarnoff. The motion passed unanimously.

CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS (APRIL, MAY, JUNE 2021)

Mr. Hein referred Committee Members to the Record of Vouchers paid in April, May, and June 2021. Board Chairwoman Justice Schostok asked members of the Committee if there were any questions regarding the Record of Vouchers and there were none.

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

motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Healy, Trustee Mendoza, Trustee Tarnoff. The motion passed unanimously.

ACTUAL VS PROJECTED BUDGET FORECAST AS OF 6/30/21

Mr. Hein referred Committee Members to the Actual vs. Projected Budget Forecast as of June 30, 2021 in the meeting materials. Mr. Hein stated that expenses were at or below expectations in most categories and slightly higher for investment management fees as a result of ISBI's outperformance. Chairwoman Schostok asked the Board if there were any questions and there were none.

ETHICS MATTERS

Consideration and Approval of Agent Contact Report

Mr. Mehta directed Committee Members to the Agent Contact Report for the first quarter of Fiscal Year 2022.

Trustee Healy moved that the Agent Contact Report as presented be approved and accepted for filing as recommended by ISBI Staff. Board Chairwoman Schostok seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Atlan, Trustee Healy, Trustee Mendoza, Trustee Tarnoff. The motion passed unanimously.

Consideration and Approval of Fiduciary Training Opportunities

Mr. Mehta referred Members to the September 2021 list of Upcoming Training Opportunities, previously provided, and noted that travel expenses are reimbursable if approved in advance, consistent with the requirements of the Illinois Pension Code and ISBI's policies. Mr. Mehta noted that most of the trainings continued to be virtual, to account for the ongoing COVID-19 Pandemic.

Trustee Healy moved that the conferences and trainings listed on the September 2021 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 Atlan seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Atlan, Trustee Healy, Trustee Mendoza, Trustee Tarnoff. The motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

None.

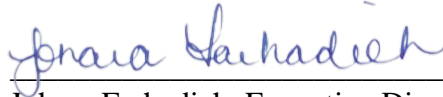
PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

Board Chairwoman Schostok noted that the next meeting was tentatively scheduled for December 16-17, 2021, and Committee Members will be notified of the time at a later date. At 9:23 a.m., there being no further business to come before the Committee, Trustee Mendoza moved to adjourn the meeting. Trustee Healy seconded, and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Johara Farhadieh", written over a horizontal line.

Johara Farhadieh, Executive Director/
Chief Investment Officer