

MINUTES OF THE
AUDIT & COMPLIANCE COMMITTEE

Thursday, March 23, 2023 – 1:00 P.M.
180 N. LaSalle St., Suite 2015
Chicago, IL 60601

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| Present: | <u>Committee Members</u> | Committee Chairwoman Elizabeth Sanders Gisela Attlan Michael Tarnoff (via audio conference) Justice Debra Walker |
| | <u>Board Members</u> | Board Chairman Terrence Healy Jaye Williams |
| | <u>Staff</u> | Genette Bacon-Cordova Koula Berlin Mary Cahill Michelle Choi Johara Farhadieh Maryann Hong Jennifer Koelle Dipesh Mehta Alex Somolski Atul Talwar |
| | <u>Guests</u> | Burke Burns & Pinelli, Ltd. Sarah Boeckman State Employees' Retirement System Tim Blair (via audio conference) |
| Not Present: | <u>Committee Members</u> | Comptroller Susana Mendoza |

ROLL CALL

Committee Chairwoman Sanders called the meeting to order at 1:05 p.m. at the Illinois State Board of Investment office, 180 N. LaSalle St., Suite 2015, Chicago. Mr. Mehta called the roll and noted a quorum was present.

Trustee Walker moved that Trustee Tarnoff be allowed to participate in the meeting via audio conference pursuant to Section 7(a) of the Open Meetings Act. Trustee Atflan seconded, and the motion passed unanimously.

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE CHAIR

None.

CONSIDERATION AND APPROVAL OF MINUTES

Trustee Walker moved to approve the minutes, as presented, from the December 16, 2022 Audit & Compliance Committee meeting. Trustee Atflan seconded, and the motion passed unanimously.

CONSIDERATION AND APPROVAL OF FISCAL YEAR 2022 ANNUAL REPORT AS PRESENTED

Ms. Berlin directed trustees to the presentation materials and briefly described the report.

Trustee Walker moved that the Fiscal Year 2022 Annual Report be accepted in form, as presented. Trustee Atflan seconded, and the motion passed unanimously.

REPORT ON STATUS OF FISCAL YEAR 2023 AUDIT

Ms. Berlin informed trustees that the Office of the Auditor General (OAG) selected RSM to conduct ISBI's audit. Ms. Berlin stated that the FY 23 audit process would begin soon, and she would keep trustees informed of the progress at subsequent board meetings.

CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS (9/30/22)

Ms. Berlin referred trustees to the Financial Statements from September 30, 2022. Ms. Berlin asked if there were any questions and there were none.

Trustee Walker moved that the Financial Statements from September 30, 2022 be approved and accepted for filing, as presented, consistent with the recommendation of ISBI staff. Trustee Atlan seconded, and the motion passed unanimously.

CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS (OCTOBER, NOVEMBER, DECEMBER 2022)

Ms. Berlin referred trustees to the Record of Vouchers paid in October, November, and December of 2022. Ms. Berlin asked if there were any questions and there were none.

Trustee Walker moved that the Record of Vouchers be approved and accepted for filing, as presented, consistent with the recommendation of ISBI staff. Trustee Atlan seconded, and the motion passed unanimously.

ACTUAL VS. PROJECTED BUDGET FORECAST AS OF DECEMBER 31, 2022

Ms. Berlin referred trustees to the Actual vs. Projected Budget Forecast as of December 31, 2022 in the meeting materials, and briefly described the report. Committee Chairwoman Sanders asked if there were any questions and there were none.

ETHICS MATTERS

Consideration and Approval of Agent Contact Report

Mr. Mehta directed trustees to the Agent Contact Report for the third quarter of Fiscal Year 2023.

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

Consideration and Approval of Fiduciary Training Opportunities

Mr. Mehta referred trustees to the March 2023 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. Trustee Walker moved that the conferences and trainings listed on the March 2023 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 be reimbursed, consistent with ISBI's policies. Trustee Atlan seconded, and the motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

None.

PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

Committee Chairwoman Sanders noted that the next meeting was tentatively scheduled for June 22-23, 2023. At 1:10 p.m., there being no further business to come before the committee, Trustee Walker moved to adjourn the meeting. Trustee Atlan seconded, and the meeting was adjourned.

Respectfully submitted,



Johara Farhadieh, Executive Director/
Chief Investment Officer