

MINUTES OF THE
AUDIT & COMPLIANCE COMMITTEE

Friday, December 15, 2023 – 9:00 A.M.
180 N. LaSalle St., Suite 2015
Chicago, IL 60601

Present:	<u>Committee Members</u>	Committee Chairwoman Elizabeth Sanders Gisela Attlan Michael Tarnoff Justice Debra Walker
	<u>Board Members</u>	Board Chairman Terrence Healy Senator Robert Martwick
	<u>Staff</u>	Genette Bacon-Cordova Mary Cahill Michelle Choi Jennifer Koelle Kawing Lee Samantha McHugh Dipesh Mehta David Schneider Dan Sekera Atul Talwar
	<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman
Not Present:	<u>Committee Members</u>	Comptroller Susana Mendoza

ROLL CALL

Committee Chairwoman Sanders called the meeting to order at 9:05 a.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 Mendoza be allowed to participate in the meeting via audio conference pursuant to Section 7(a) of the Open Meetings Act. Trustee Attlan seconded, and the motion passed unanimously.

REPORT OF THE AUDIT & COMPLIANCE COMMITTEE CHAIR

Committee Chairwoman Sanders welcomed David Schneider, ISBI's new Chief Financial Officer and Chief Operating Officer.

CONSIDERATION AND APPROVAL OF PREVIOUS MEETING MINUTES

Trustee Walker moved to approve the minutes from the September 27, 2023 Audit & Compliance Committee meeting. Trustee Tarnoff seconded, and the motion passed unanimously.

UPDATE ON FISCAL YEAR 2023 AUDIT

Mr. Schneider gave an update on the status of the fiscal year 2023 audit, noting that the financial audit is substantially complete with no indications at this point of any concerns from the auditor. Mr. Schneider explained that the compliance audit is ongoing, and that ISBI is working with its IT service provider to remedy potential findings from the cybersecurity review. Mr. Schneider asked if there were any questions and there were none.

CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS (6/30/23)

Mr. Schneider referred trustees to the Financial Statements from June 30, 2023. Mr. Schneider noted that on a quarterly basis, ISBI's accounting team would be performing a review of ISBI's liability status in the financial reporting package and would make adjustments to remove any contra-liabilities going forward. Mr. Schneider asked if there were any questions and there were none.

Trustee Walker moved that the Financial Statements from June 30, 2023 be approved, consistent with the recommendation of ISBI staff. Trustee Attlan seconded, and the motion passed unanimously.

***CONSIDERATION FOR ACCEPTANCE AND FILING OF RECORD OF VOUCHERS
(JULY, AUGUST, SEPTEMBER 2023)***

Mr. Schneider referred trustees to the Record of Vouchers paid in July, August, and September of 2023. Mr. Schneider 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 Tarnoff seconded, and the motion passed unanimously.

ACTUAL VS. PROJECTED BUDGET FORECAST AS OF SEPTEMBER 30, 2023

Mr. Schneider referred trustees to the Actual vs. Projected Budget Forecast as of September 30, 2023 in the meeting materials. Mr. Schneider stated that ISBI is at or under the approved budget in all major categories. Mr. Schneider 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 second quarter of Fiscal Year 2024.

Trustee Walker 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

Mr. Mehta referred trustees to the December 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 December 2023 list of Upcoming Training Opportunities 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 Tarnoff seconded, and the motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

None.

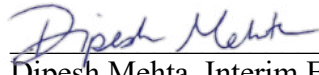
PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

Committee Chairwoman Sanders noted that the next meeting was tentatively scheduled for March 22, 2024. At 9:17 a.m., there being no further business to come before the committee, Trustee Walker moved to adjourn the meeting. Trustee Attlan seconded, and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in blue ink that reads "Dipesh Mehta". The signature is written in a cursive style with a horizontal line extending to the right across the signature.

Dipesh Mehta, Interim Executive
Director/Chief Investment Officer