



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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R. Stanley Rupnik, Executive Director & Chief Investment Officer

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MINUTES

Audit Committee

February 22, 2024

A meeting of the Audit Committee of the Board of Trustees of the Teachers' Retirement System of the State of Illinois (TRS) was held on February 22, 2024 at NIU Naperville, 1120 E. Diehl Rd., Naperville, IL. Trustee Kevin "Duffy" Blackburn (Chair) called the meeting to order at 8:35 AM. Roll call attendance was taken with the following Committee members present: Trustee Kevin "Duffy" Blackburn, Trustee Joe Blomquist, Trustee Mia Jazo-Harris, Trustee Larry Pfeiffer (Vice Chair), and Trustee Doug Strand. A quorum was present.

Others in attendance: Trustee Beth Anderson; Trustee Marsha Byas; Trustee Mike Goetz; Trustee Andy Hirshman; Trustee Matt Hunt; Trustee Maureen Mena (arrived at 8:52 AM); Trustee David Miller (arrived at 8:45 AM); Trustee Fred Peronto; Trustee Tony Sanders; Stan Rupnik, Executive Director & CIO; Sally Antonacci, Executive Officer; Chelsea Duis, Executive Administrator; Deron Bertolo, Chief Financial Officer; Gloria Lasley, Chief Operating Officer; Emily Peterson, General Counsel; Cynthia Fain, Senior Legal Counsel; Michelle Kissel, Director of Human Resources; Lori Dour, Chief Benefits Officer; Stacy Smith, Director of Internal Audit and Risk; John Gerding, Director of Information Technology; Janelle Gurnsey, Director of Public Relations; Christina Baker, Internal Audit Manager; Andy Jones, Senior IT Internal Auditor; Jenna Guymon, Human Resources Business Partner; Claire Kramer, Organizational Effectiveness Specialist; Kyle Thornton, Network Administrator; Will Daugherty, Senior Technical Support Specialist; Chris Engelhardt of Voya (SSP Recordkeeper); and Jessica Culotti of Reinhart Boerner Van Deuren (Fiduciary Counsel).

Remote attendees: Kendra Kornack, Senior Internal Auditor.

Visitors: Elston Flowers, IEA-Retired; Rob Kozlowski, Pensions & Investments

Public Comment

None.

Minutes

A draft of the December 12, 2023 minutes of the Audit Committee meeting was sent to the committee members for review. On a motion by Trustee Strand, seconded by Trustee Blomquist, the minutes were approved by unanimous voice vote. Documentation is on file.

Executive Session

A motion was made by Trustee Jazo-Harris, seconded by Trustee Strand, that the Committee enter into executive session to discuss matters as authorized and permitted under the following exceptions set forth by the Open Meetings Act: meetings between internal or external auditors and governmental audit committees when discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews conducted in accordance with generally accepted auditing standards [5 ILCS 120/2(c)(29)].

Roll call resulted in affirmative voice votes from Trustees Blackburn, Blomquist, Jazo-Harris, Pfeiffer, and Strand. Motion carried.

The public meeting closed at 8:37 AM.

No action was taken during executive session.

The public meeting reconvened at 9:18 AM. Roll call attendance was taken with the following Committee members present: Blackburn, Blomquist, Jazo-Harris, Pfeiffer, and Strand.

Financial Statement Audit Report

Deron Bertolo, Chief Financial Officer, reported that the Office of the Auditor General released the TRS financial audit for fiscal year ended June 30, 2023. Documentation is on file. The financial audit was conducted by FORVIS, LLP. There were no findings reported. The Comprehensive Annual Financial Report is posted on the TRS website, www.trsil.org.

Request for Audit Committee Input for the FY25-FY26 Audit Plan

Stacy Smith, Director of Internal Audit and Risk, asked for input from the Trustees for the FY25-FY26 audit plan.

Trustee Concerns

Trustee Strand noted concerns about the System's unfunded liability as noted in the Financial Statement Audit Report.

Adjournment

On a motion by Trustee Pfeiffer, seconded by Trustee Strand, and by unanimous voice vote, the meeting adjourned at 9:22 AM.

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A handwritten signature in blue ink, appearing to be 'SR', written over a horizontal line.

Stan Rupnik, Executive Director & Chief Investment Officer

Approved: 06/17/2024