



## **TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

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### **MINUTES**

#### **Audit Committee**

**December 12, 2024**

A meeting of the Audit Committee of the Board of Trustees of the Teachers' Retirement System of the State of Illinois was held on December 12, 2024, at NIU Naperville, 1120 E. Diehl Rd., Naperville, Illinois. Trustee Kevin "Duffy" Blackburn (Chair) called the meeting to order at 9:58 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 Maureen Mena; Trustee David Miller; Trustee Tony Sanders; Stan Rupnik, Executive Director & Chief Investment Officer; Sally Antonacci, Executive Officer; Chelsea Duis, Executive Administrator; Emily Peterson, General Counsel; Cynthia Fain, Senior Legal Counsel; Deron Bertolo, Chief Financial Officer; Gloria Lasley, Chief Operating Officer; Michelle Kissel, Director of Human Resources; Bob Jiroutek, Director of Risk and Investment Operations; Kyle Thornton, Senior Systems Administrator; and Bo Baptist, Senior Systems Administrator.

Remote attendees: Lori Dour, Chief Benefits Officer; Stacy Smith, Director of Internal Audit and Risk; John Gerding, Director of Information Technology; Christina Baker, Internal Audit Manager; Kendra Kornack, Senior Internal Auditor; Andy Jones, Senior IT Internal Auditor; and Jessica Culotti of Reinhart Boerner Van Deuren (Fiduciary Counsel).

Visitors: Elston Flowers, IEA Retired, and Rob Kozlowski, Pensions and Investments.

#### **Remote Attendance Request**

Trustee Larry Pfeiffer was unable to attend in person due to a family or other emergency. In accordance with the Open Meetings Act, 5 ILCS 120, Section 7, permission was requested for Trustee Pfeiffer to attend via remote attendance. A motion was made by Trustee Strand and seconded by Trustee Blomquist to allow Trustee Pfeiffer to attend via remote attendance. Motion carried by unanimous voice vote.

#### **Public Comment**

None.

### Minutes

A draft of the October 24, 2024, minutes of the Audit Committee meeting was sent to the committee members for review. On a motion by Trustee Blomquist, seconded by Trustee Strand, the minutes were approved by unanimous voice vote. Documentation is on file.

### Approval of Executive Session Minutes

A draft of the October 24, 2024, Audit Committee Executive Session meeting minutes was sent to the committee for review. On a motion by Trustee Strand, seconded by Trustee Jazo-Harris, the minutes were approved by unanimous voice vote. Documentation is on file.

### Internal Audit Report

#### Optional Service

Christina Baker, Internal Audit Manager, provided a summary of the Optional Service internal audit report. Documentation is on file.

#### IT Governance

Andy Jones, Senior IT Internal Auditor, provided a summary of the IT Governance internal audit report. Documentation is on file.

#### Agency Organization and Management

Kendra Kornack, Senior Internal Auditor, provided a summary of the Agency Organization and Management internal audit report. Documentation is on file.

### Enterprise Risk Committee Report

Stacy Smith, Director of Internal Audit and Risk, presented the Enterprise Risk Committee Report. The TRS Enterprise Risk Management Committee provides oversight and disciplined thought about current and potential risks facing TRS and provides a summary risk report to the Board twice a year. The December risk report included updates on 11 categories since the last report in June 2024. The updated risk assessments include Business Continuity, Cybersecurity, Employer Services, Facilities Management, Investment Compliance, Investment Portfolio Management, Legacy Information System, Member Services, Pension Benefit Administration, Pension Administration System Modernization Program, and Records Management. Documentation is on file.

### Trustee Concerns

Trustee Jazo-Harris commended TRS staff for no audit findings in the presented internal audit reports.

Adjournment

On a motion by Trustee Jazo-Harris, seconded by Trustee Blomquist, and by unanimous voice vote, the meeting adjourned at 10:17 AM.



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Stan Rupnik, Executive Director & Chief Investment Officer

Approved: 02/20/2025