



MINUTES

**Meeting of the Audit & Risk Committee
of the Board of Trustees of the
State Universities Retirement System
Thursday, Dec. 2, 2021, 1:46 p.m.
State Universities Retirement System
Via remote access only due to ongoing COVID-19 concerns**

The meetings on December 2 and 3, 2021, were conducted via video conference pursuant to the Governor's COVID-19 Disaster Proclamation dated November 12, 2021 and subsection (e) of Section 7 of the Open Meetings Act. Chair John Atkinson of the SURS Board of Trustees determined that a full, in-person meeting was not practical nor prudent due to ongoing COVID-19 disaster concerns.

The following trustees were present: Mr. John Atkinson, Mr. Andriy Bodnaruk, Mr. Richard Figueroa, Ms. Jamie-Claire Flaherty, Dr. Fred Giertz, Mr. Scott Hendrie, Dr. Steven Rock, Mr. Collin Van Meter, Mr. Mitchell Vogel and Mr. Scott Weisbenner.

Others present: Ms. Suzanne Mayer, Interim Executive Director / Chief Benefits Officer; Mr. Douglas Wesley, Chief Investment Officer (CIO); Ms. Ellen Hung, Deputy CIO; Ms. Kim Pollitt, Mr. Joe Duncan, and Mr. Shane Willoughby, Sr. Investment Officers; Mr. Alex Ramos and Mr. Brian DeLoria, Investment Officers; Ms. Kelly Valle, Investment Analyst; Mr. Akshay Patel, Investment Analyst; Ms. Tracy Bennett, Compliance Analyst; Ms. Tara Myers, Chief Financial Officer; Ms. Bianca Green, General Counsel; Ms. Kristen Houch, Head of Legislative Affairs; Ms. Heather Kimmons, Associate Legal Counsel; Mr. Albert Lee, Associate General Counsel; Ms. Anna Dempsey, Investment Counsel; Mr. Jefferey Saiger, Chief Technology Officer; Ms. Jackie Hohn, Chief Internal Auditor; Ms. Brenda Dunn, Chief Human Resources Officer; Mr. Harold Keagle, Information Security Manager; Ms. Kelly Carson, Ms. Chelsea McCarty and Ms. Annette Ackerman, Executive Assistants; and Mr. Michael Calabrese of Foley.

Audit & Risk Committee roll call attendance was taken: Trustee Bodnaruk, present; Trustee Giertz, present; Trustee Hendrie, present; and Trustee Rock, present

Trustee Lyons joined the meeting at 1.54 p.m.

APPROVAL OF MINUTES

Trustee Giertz presented the minutes from the Audit & Risk Committee meeting of September 9, 2021.

Trustee Rock made the following motion:

- That the minutes from the September 9, 2021 Audit & Risk Committee meeting be approved as presented.

Trustee Hendrie seconded the motion which passed via the following roll call vote:

Trustee Bodnaruk	-	aye
Trustee Giertz	-	aye
Trustee Hendrie	-	aye
Trustee Rock	-	aye

APPROVAL OF CLOSED MINUTES

Trustee Giertz presented the closed minutes from the Audit & Risk Committee meeting of September 9, 2021.

Trustee Hendrie made the following motion:

- That the minutes from the September 9, 2021 Audit & Risk Committee meeting be approved as presented and remain closed.

Trustee Rock seconded the motion which passed via the following roll call vote:

Trustee Bodnaruk	-	aye
Trustee Giertz	-	aye
Trustee Hendrie	-	aye
Trustee Rock	-	aye

CHAIRPERSON'S REPORT

Trustee Giertz gave a brief statement regarding why he feels the different audits performed need to be distinguished in specific ways moving forward. He also explained why he believes certain audits should be expanded into broader areas. He concluded by opening the floor for additional opinions on the subject matter.

INTERNAL AUDIT

Office of the Auditor General Census Data Reconciliation Update

Ms. Jackie Hohn informed the board that the process for the Census Data Reconciliation has begun. She explained that the original timeline that was previously presented changed from May 2022 to January of 2023 because it involves a very time-consuming process. Ms. Hohn provided further details regarding on how this process works and she opened the floor for any questions.

IIA Standards Discussion

Ms. Hohn explained that the SURS Internal Audit department is required to follow the Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing. She discussed the standards and mandatory elements that include the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing and the Definition of Internal Auditing. She believes Internal Audit Department is in compliance with these current sets of standards.

EXTERNAL AUDIT UPDATE

Ms. Hohn informed the board that the Financial Statement Audit is close to being complete and based upon information provided by the External Auditors, there should be no findings. The compliance piece is still currently in the process of being completed. The external auditors plan to move into the final stages of this audit as they continue to discuss the processes used to obtain approval.

CLOSED SESSION

Trustee Hendrie moved that the Audit & Risk Committee go into closed session pursuant to §2(c)(8) of the Illinois Open Meetings Act to discuss security procedures. Trustee Giertz seconded, and the motion passed via the following roll call vote:

Trustee Bodnaruk	-	aye
Trustee Giertz	-	aye
Trustee Hendrie	-	aye
Trustee Rock	-	aye

RETURN TO OPEN SESSION

Trustees resumed open session at 2:35 p.m.

INFORMATION ITEMS NOT REQUIRING COMMITTEE ACTION

Ms. Hohn reviewed the Previous Audit Finding Remediation and the employee Death Match. She briefly provided an update on each topic and concluded by opening the floor for questions.

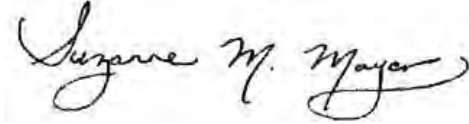
PUBLIC COMMENT

There were no public comments presented to the Audit & Risk Committee.

There was no further business brought before the committee and Trustee Rock moved that the meeting be adjourned. The motion was seconded by Trustee Hendrie and the motion passed via the following roll call vote:

Trustee Bodnaruk - aye
Trustee Giertz - aye
Trustee Hendrie - aye
Trustee Rock - aye

Respectfully submitted,

A handwritten signature in black ink that reads "Suzanne M. Mayer". The signature is written in a cursive style with a large initial 'S' and a long, sweeping underline.

Ms. Suzanne M. Mayer
Interim Executive Director / Interim Secretary, Board of Trustees

SMM:cm