



## MINUTES

**Quarterly Meeting of the Audit & Risk Committee  
of the Board of Trustees of the  
State Universities Retirement System  
Friday, December 8, 2023, 9:00 a.m.  
Northern Trust, 333 S. Wabash Ave. – 44<sup>th</sup> Floor – Chicago, IL  
\*Optional Remote Connection for Members of the Public\***

This meeting was held in person at Northern Trust in Chicago, IL.

The following trustees were present: Dr. Andriy Bodnaruk (via zoom); Dr. Fred Giertz, chair; Mr. Scott Hendrie; Dr. Steven Rock; Mr. Richard Figueroa; Ms. Jamie-Clare Flaherty (via zoom); Mr. Pranav Kothari; Mr. John Lyons; Mr. Collin Van Meter; Mr. Antonio Vasquez; and Mr. Mitch Vogel.

Others present: Ms. Suzanne Mayer, Executive Director; Mr. Douglas Wesley, Chief Investment Officer (CIO); Mr. Michael Schlachter, CIO Designee; Ms. Jackie Hohn, Chief Internal Auditor; Mr. Alex Deal, Internal Auditor; Ms. Lorraine Gui, Internal Auditor; Mr. Jefferey Saiger, Chief Technology Officer; Ms. Tara Myers, Chief Financial Officer; Ms. Nichole Hemming, Chief Human Resources Officer; Ms. Bianca Green, General Counsel; Ms. Kristen Houch, Director of Legislative and Stakeholder Relations; Ms. Alicia Route, Legislative Analyst; Mr. Albert Lee, Associate General Counsel; Ms. Anna Dempsey, Investment Counsel; Ms. Kelly Carson, Ms. Chelsea McCarty and Ms. Annette Ackerman, Executive Assistants; Mr. Michael Calabrese of Foley and Mr. John Atkinson.

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

## APPROVAL OF MINUTES

Trustee Giertz presented the minutes from the Audit & Risk Committee meeting of September 8, 2023.

Trustee Rock made the following motion:

- That the minutes from the September 8, 2023 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 Hendrie presented the closed minutes from the Investment Committee meeting of September 8, 2023.

Trustee Rock made the following motion:

- That the closed minutes from the September 8, 2023 Investment Committee meeting be approved and remain closed.

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

## **CHAIRPERSON'S REPORT**

Trustee Giertz did not have a formal chairperson's report.

## **RECOGNITION OF FORMER CHAIRPERSON JOHN ATKINSON**

Trustee Collin Van Meter recognized former Chairperson John Atkinson for his previous service with the SURS Board of Trustees and thanked him on behalf of the board and all of SURS staff.

## **ACTUARIAL AUDIT**

Ms. Jackie Hohn presented the scope and the goals of the Actuarial Audit. She introduced Ms. Alicia Traviss from Athena who reviewed the actuarial audit. The primary goals of the audit were to assess compliance with Actuarial Standards of Practice and requirements of GASB for accounting and to assess compliance with the state regulated funding rules. Ms. Traviss explained the appropriate utilization of acceptable methods and alignment with industry leading practices and she presented information in a transparent and informative manner. Reviewing the results, Ms. Traviss did not identify any significant deficiencies in SURS' reporting. She further reported that they did not identify any significant issues with the basis for which the assumptions were studied or determined. They did, however, include various recommendations for future consideration.

## **INTERNAL AUDIT**

### **Investment Audit**

Ms. Jackie Hohn presented the Investment Compliance Review and she explained that the audit's objectives were to determine whether the investment policies and procedures adequately conform to

the laws as prescribed in the Illinois Pension Code and the rules of the system. She reviewed some of the internal audit's concerns. Internal audit examined general compliance with the state statutes and its investment policies with an emphasis on asset allocation compliance for the period from 01/01/2022 through 04/01/2023. It was determined that no compliance or operational issues were identified, and internal audit formed the opinion that the Investment Department's procedures are in compliance with state statutes and internal investment policies.

**CLOSED SESSION**

Trustee Hendrie moved that the Audit & Risk Committee go into closed session at 9:45 a.m. pursuant to §2(c)(8) of the Illinois Open Meetings Act for the consideration of security procedures. Trustee Rock 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 10:00 a.m.

**PUBLIC COMMENT**

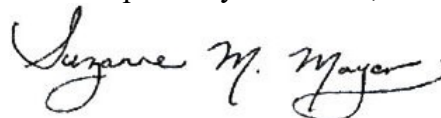
There were no public comments presented to the Audit & Risk Committee.

**ADJOURN**

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

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

Respectfully submitted,



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

SMM:cm