



## **Teachers' Retirement System of the State of Illinois**

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Richard W. Ingram, Executive Director

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### **MINUTES**

#### **Audit Committee**

#### **Executive Session – October 23, 2013**

The Audit Committee of the Board of Trustees of the Illinois Teachers' Retirement System met in executive session on October 23, 2013 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. A motion was made by Marcia Campbell, seconded by Enrique Vasquez, that the Audit Committee enter into executive session for the purpose of discussing internal control weaknesses as permitted under the following exception set forth in the Open Meetings Act which authorizes the closing of the meeting to the public: 5 ILCS 120/2(c)(28). Roll call resulted in affirmative voice votes from Trustees Marcia Campbell, Cynthia O'Neill, Enrique Vasquez, and Bob Lyons, Chair. Executive session was declared at 2:41 p.m. Trustees present: Mark Bailey, Mike Busby, Rainy Kaplan, Cinda Klickna, Sharon Leggett, and Sonia Walwyn.

Others present: Dick Ingram, Executive Director; Stan Rupnik, Chief Investment Officer; Greg Turk, Director of Investments; Deron Bertolo, Director of Investment Operations (departed 3:40 p.m.); Scottie Bevill, Sr. Investment Officer (departed 3:40 p.m.); Tom Gray, General Counsel; Cynthia Fain, Sr. Assistant General Counsel; Jana Bergschneider, Director of Administration; Stacy Smith, Director of Internal Audit; Tassi Maton, Sr. Internal Auditor; Christina Baker, Internal Auditor; Tammy Green, Assistant to the Executive Director; Pat O'Hara, Cavanagh & O'Hara (Fiduciary Counsel); Barb Davison and Kelly Anderson, Investment Training and Consulting Institute.

#### **Global Fixed Income and Real Return Audit**

Investment Training and Consulting Institute assisted Internal Audit with the audit of the global fixed income and real return asset classes. The time period covered was January 1, 2012 through June 30, 2013. Barb Davison, President and Audit Principal of ITCI, provided an overview of the objectives, findings, recommendations, and management's response. Documentation is on file.

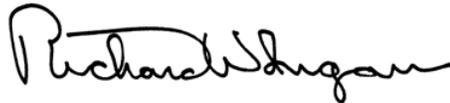
### Internal Audit Reports

Tassi Maton and Christina Baker provided summaries of the Petty Cash audit and the Administrative Support Services audit. One observation and one finding were noted. Documentation is on file.

### Audit Findings & Observations Status Report

Stacy Smith reported on the Audit Findings & Observations Status Report as of September 30, 2013, containing items that are still pending, issues that have been resolved, and new reportable items. Issues where the risk has been accepted by the responsible department are noted on a separate report titled Audit Findings & Observations with Risk Accepted Status. Documentation is on file.

No action was taken during executive session. A motion was made by Marcia Campbell, seconded by Cynthia O'Neill, that the Audit Committee come out of executive session. Roll call resulted in affirmative voice votes from Trustees Campbell, Lyons, O'Neill, and Vasquez. Motion CARRIED. The executive session meeting adjourned at 3:52 p.m.



Richard W. Ingram, Executive Director

Approved: 2/19/14

Released to Public: 8/26/14