



Teachers' Retirement System of the State of Illinois

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Richard W. Ingram, Executive Director

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MINUTES Audit Committee October 26, 2012

A meeting of the Audit Committee of the Board of Trustees of the Illinois Teachers' Retirement System was held on October 26, 2012 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. Janice Reedus, Chair, called the meeting to order at 8:00 a.m. A quorum was present.

Roll call attendance was taken with the following committee members present: Janice Reedus (Chair), Bob Lyons (Vice Chair), Mike Busby, and Marcia Campbell, Absent: Cynthia O'Neill. Trustees present: Jan Cleveland, Cinda Klickna, Sharon Leggett, Molly Phalen, Sonia Walwyn, and Chris Koch.

Others present: Dick Ingram, Executive Director; Tom Gray, General Counsel; Cynthia Fain, Senior Assistant General Counsel; Stan Rupnik, Chief Investment Officer; Rich Frankenfeld, Director of Outreach; Sally Sherman, Director of Member Services; Jana Bergschneider, Director of Administration; Stacy Smith, Director of Internal Audit; Tassi Maton, Sr. Internal Auditor; Christina Baker, Internal Auditor; Kathleen Farney, Director of Research; Tammy Green, Assistant to the Executive Director; Sue Billington, Executive Assistant; and Pat O'Hara, Cavanagh & O'Hara (Fiduciary Counsel).

Visitors present: Shirley Dodds, IRTA Rep.; Dennis Murfin, IRTA Rep.; and Janet Kilgus, IEA-R.

Minutes

A draft of the August 22, 2012 Audit Committee minutes was sent to the committee members for review. On a motion by Bob Lyons, seconded by Marcia Campbell, and by unanimous voice vote, the minutes were approved as printed.

Internal Audit

Christina Baker, Internal Auditor, provided a summary of the Property, Equipment & Inventories Audit. Documentation is on file.

Continuous Auditing

Stacy Smith, Director of Internal Audit, provided a status memo on continuous auditing with investment management fees. Documentation is on file.

EXECUTIVE SESSION

A motion was made by Bob Lyons, seconded by Marcia Campbell, 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 Busby, Campbell, Lyons, and Reedus. Motion CARRIED.

No action was taken during executive session. A motion was made by Marcia Campbell, seconded by Mike Busby, that the Audit Committee come out of executive session. Roll call resulted in affirmative voice votes from Trustees Busby, Campbell, Lyons, and Reedus. Motion CARRIED.

ADJOURNMENT

On a motion by Bob Lyons, seconded by Mike Busby, and by unanimous vote, the meeting adjourned upon conclusion of the executive session meeting at 9:12 a.m.

Richard W. Ingram, Executive Director

Approved _____