



Teachers' Retirement System of the State of Illinois

MINUTES Audit Committee February 24, 2010

A meeting of the Audit Committee of the Board of Trustees of the Illinois Teachers' Retirement System was held on February 24, 2010 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. Bob Lyons, Chair, called the meeting to order at 11:00 a.m. A quorum was present.

Present: **Committee Members:**
 Bob Lyons, Chair
 Sharon Leggett, Vice Chair
 Marcia Boone
 Jan Cleveland

Absent: Sonia Walwyn

Present: **Trustees:**
 Mike Busby
 Cinda Klickna
 Janice Reedus
 Sid Marder
 Cynthia O'Neill
 Molly Phalen

TRS Staff:

Stan Rupnik, Acting Exec. Director /CIO
Tom Gray, General Counsel
Cynthia Fain, Sr. Asst. General Counsel
Stacy Smith, Director of Internal Audit
Kathleen Farney, Director of Research
Gina Larkin, Director of Human Resources
Jana Bergschneider, Director of Admin.

Tassi Maton, Director of Inv. Operations
Rich Frankenfeld, Director of Outreach
Melissa Oller, Internal Auditor
Sue Billington, Executive Assistant
Tammy Green, Asst. to Exec. Director

Counsel - Cavanagh & O'Hara:

Patrick O'Hara

Legislative Consultant:

Andrew Bodewes

Minutes

A draft of the minutes from the December 9, 2009 Audit Committee was sent to the committee members for review. On a motion by Marcia Boone, seconded by Sharon Leggett, and by unanimous voice vote, the minutes were approved as printed.

Internal Audit Report

Stacy Smith, Director of Internal Audit, provided a summary of the Revenues & Receivables audit. Documentation is on file.

FY 2011 Audit Plan

The Performance Standards promulgated by the Institute of Internal Auditors state that the internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process. Stacy Smith requested recommendations from the audit committee. Recommendations for the FY2011 audit plan can be emailed to her.

Annual Meeting

As a requirement of the Audit Committee Charter, Chairman Lyons reported that he met with Stacy Smith to review the internal audit activities and to discuss concerns of the audit department. No concerns were conveyed.

Trustee Concerns

Trustee Klickna raised a concern about employer reporting of creditable earnings on behalf of members. Staff will continue to educate employers on accurate reporting and investigate any areas of concern as they arise.

ADJOURNMENT

On a motion by Marcia Boone, seconded by Jan Cleveland, and by unanimous vote, the meeting adjourned at 11:20 a.m.

Stan Rupnik, Acting Executive Director

Approved _____