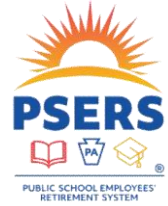


May 31, 2023 PSERB Audit, Compliance, and Risk Committee Meeting

PSERS Board Room 5 North 5th Street, Harrisburg PA 17101 and via MS Teams [Sunshine], May 31, 2023



Chair Treas. Stacy Garrity
Vice Chair Rep. Torren Ecker
Committee Liaison Mei Gentry
Board Secretary Terrill Sanchez

1. Call to Order

The Committee met on May 31, 2023 virtually and in-person at 5 North 5th Street in Harrisburg. Chair Garrity called the meeting to order at 4:31 P.M. Terrill Sanchez took roll call and confirmed Audit, Compliance, and Risk Committee quorum.

Committee Member Attendance:

Treas. Stacy Garrity Virtual
Rep. Torren Ecker Virtual
Jason Davis Virtual

Nathan Mains Virtual
Eric Pistilli for Sec. Wendy Spicher
Virtual

Other Board Members/Designees Attendance:

Susan Lemmo Virtual
Ann Monaghan Virtual
Sen. Katie Muth Virtual
Brian Reiser Virtual

Susan Boyle Virtual
Kevin Busher Virtual
Jeffrey Cavanaugh Virtual
Christopher Craig Virtual
Eric Dice Virtual
Lloyd Ebright Virtual

2. Approval of Published Agenda or Requested Amendments

Kevin Busher moved to approve the published agenda with Rep. Torren Ecker seconding. The motion passed unanimously.

3. Approval of March 22, and April 19, 2023 minutes.

Jason Davis moved to approve the minutes with Kevin Busher seconding. The motion passed unanimously.

4. Public Comment

Terri Sanchez confirmed there was no request for public comment.

5. New Business

5.1 **Board Policy List Discussion with Motion:** The Committee reviewed the Board Policy List which resulted in the following:

MOTION: The Audit, Compliance, and Risk Committee of the Public School Employees' Retirement Board (the "Board") hereby moves to initially accept the Governance and Administration Committee's recommendation of the board policies over which this Committee has been delegated oversight as identified in the attached document except

for the following, which should be reconsidered by the Governance and Administration Committee.

Insider and Personal Trading Policy as currently assigned to the Investment Committee, propose to reassign to primary ownership under the Investment Committee, with input from the Audit, Compliance, and Risk Committee.

Placement Agent Policy as currently assigned to the Investment Committee, propose to reassign to primary ownership under the Investment Committee, with input from the Audit, Compliance, and Risk Committee.

Cybersecurity Policy currently not assigned, propose joint ownership between the Governance and Administration Committee and the Audit, Compliance, and Risk Committee.

Jason Davis moved with Nathan Mains seconding.

The motion passed with one (1) non-voting member being Sec. Wendy Spicher.

- 5.2 **Internal Audit Plan with Motion:** There was a presentation by Mei Gentry, Chief Audit Officer, on the Internal Audit Plan.
- 5.3 **Investment Compliance Program Update with Motion:** There was an update by Stephanie Lanus, Assistant Audit Executive for Benefits and Financials, on the Investment Compliance Program.

6. **Executive Session**

At 5:03 P.M., Nathan Mains moved to enter Executive Session with Jason Davis seconding, to discuss agency business, namely, Investment Compliance Review Results, Fiscal Year 2022-2023 Audit Plan, Fiscal Year 2023-2024 Audit Plan Proposal, Management Actions Plans Status Updates, Fraud Waste and Abuse Statistics, HOP/PDP Compliance Status, and Pending Legal Matters. The Committee resumed public session at 6:20 P.M. and considered the proposals under 5.2 and 5.3, which resulted in the following:

MOTION: The Audit, Compliance, and Risk Committee of the Public School Employees' Retirement Board (the "Board") hereby moves to accept the Investment Compliance Review Report, dated May 17, 2023 as presented by Alicia E. James, Investment Compliance Manager and Constellation Advisers, LLC.

Moved by Nathan Mains and seconded by Jason Davis.

The motion passed with one (1) non-voting member being Sec. Wendy Spicher.

MOTION: The Audit, Compliance, and Risk Committee of the Public School Employees' Retirement Board (the "Board") hereby recommends that the Board adopt the Audit Plan for Fiscal Year 2023/2024, as presented by Mei Gentry, Chief Audit Officer, on May 31, 2023.

Moved by Jason Davis and seconded by Nathan Mains.

The motion passed with one (1) non-voting member being Sec. Wendy Spicher.

7. **Next Meeting Agenda Items**

The Committee had no recommendations for agenda items to add to the next Committee Meeting scheduled for August 2, 2023.

8. **Motion to Adjourn**

At 6:23 P.M., Jason Davis moved to adjourn with Susan Boyle seconding. The motion passed unanimously.

DocuSigned by:

Mei Gentry
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6/7/2023

DocuSigned by:

Wendy Spicher
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6/7/2023