



Audit Committee Meeting
December 6, 2023



Presented for Review and Approval
March 20, 2024

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**AUDIT COMMITTEE MEETING
EMPLOYEES RETIREMENT SYSTEM OF TEXAS
December 6, 2023**

TRUSTEES PRESENT

Neika Clark, Chair
Brian Barth, Member
Stuart Greenfield, PhD, Member
Craig Hester, Member
James Kee, PhD, Member
John Rutherford, Member

ERS DIRECTORS PRESENT

Porter Wilson, Executive Director
Cathy Terrell, Deputy Executive Director
Jennifer Chambers, Director of Government Relations & Special Projects
Tony Chavez, Director of Internal Audit
Bernie Hajovsky, Director of Enterprise Planning Office
Cynthia Hamilton, General Counsel
Robin Hardaway, Director of Customer Benefits
Shack Nail, Special Projects & Policy Advisor
Machelle Pharr, Chief Financial Officer
Gabrielle Schreiber, Director of Procurement and Contract Oversight
DeeDee Sterns, Director of Human Resources
Kathryn Tesar, Director of Benefits Communications
David Veal, Chief Investment Officer

ERS STAFF PRESENT

Michelle Carlin, Internal Audit
Anthony Curtis, Investments
Kelley Davenport, Executive Office
Blaise Duran, Group Benefits
Tiffani Jenkins, Benefits Communications
Will Koenig, Internal Audit
Tressie Landry, Internal Audit
Debbie Legg, Group Benefits
Dani Levrie, Benefits Communicaitons
Rodney Valls, Internal Audit

ALSO PRESENT

Amy Daily, Express Scripts
Briana Hendrickson, Express Scripts

Meeting of the ERS Board of Trustees Audit Committee

15. Call Meeting of the Audit Committee to Order

Ms. Neika Clark, Chair of the Audit Committee of the Employees Retirement System of Texas (ERS), noting a quorum was present, called the meeting to order at 9:00 a.m. on Wednesday, December 6, 2023.

“A public notice of the ERS Board of Trustees Audit Committee meeting containing all items on the proposed agenda was filed with the Office of the Secretary of State at 10:13 a.m. on Tuesday, November 28, 2023, as required by Chapter 551 Texas Government Code, referred to as “The Open Meetings Act.”

16. Consideration of Internal Audit Administrative Items

Annual Audit Performance and Quality Review

ERS' Director of Internal Audit Tony Chavez and Internal Audit Manager Tressie Landry presented the results of the Annual Audit Performance and Quality Review, which this year included an external peer review. Overall, the external peer review team gave ERS' Internal Audit Division a satisfactory rating in meeting its mission to provide comprehensive and objective audits of the agency's internal operations and program management. The external team did note opportunities to further strengthen ERS' internal quality control system.

Internal Audit updated their divisional performance metrics and their mission statement to align with a new format based on the framework of the Institute of Internal Auditors' new framework for auditing standards. Additionally, Mr. Chavez described a new organizational structure for the division that includes an additional auditor position.

There was no further discussion or questions on this item and no action was taken.

17. Adjournment of the Audit Committee Meeting

The Audit Committee meeting adjourned at 9:35 a.m. on Wednesday, December 6, 2023.