

**South Carolina Retirement System Investment Commission
Audit and Enterprise Risk Management Committee Meeting
Minutes**

**March 24, 2026 9:30 a.m.
Capitol Center
1201 Main Street, Suite 1510
Columbia, South Carolina 29201**

Committee Members Present:

Mr. Kenneth F. Deon, Chair (via Telephone)
Ms. Peggy Boykin (via Telephone)
Mr. William J. Condon, Jr. (via Telephone)

I. Call to Order and Consent Agenda

Chair Mr. Kenneth F. Deon called the meeting of the Audit and Enterprise Risk Management Committee (“Committee”) of the South Carolina Retirement System Investment Commission (“RSIC”) to order at 9:33 a.m. Mr. Bill Condon made a motion, which was seconded by Ms. Peggy Boykin to adopt the proposed agenda as presented, and it was unanimously approved.

II. Approval of Minutes (December 9, 2025)

Chair Deon referred to the draft minutes from the Committee’s December 9, 2025 meeting. Ms. Boykin made a motion to adopt the minutes from the December 9, 2025 Committee meeting as presented. Mr. Condon seconded the motion, and it was unanimously approved.

III. Internal Audit Update

Chair Deon then asked for the Internal Audit (“IA”) update. Ms. Michelle Kennedy, Director of Compliance and Enterprise Risk Management (“ERM”), presented the Internal Audit list, which reflected the status of Internal Audit reviews and reported to the Committee for the past four quarters.

Additionally, Ms. Kennedy presented a slide which reflected completed items of four remaining open items from the past quarter’s Reporting and Performance review conducted by Deloitte.

Another slide was presented by Ms. Kennedy to inform the Committee of the status of the current ongoing Artificial Intelligence (‘AI’) assessment, which is being conducted by Soteria, to assist RSIC in pre-AI implementation; no formal management report would be issued. Mr. Condon inquired about product selection and RSIC’s target use of AI. Mr. Eric Baker, RSIC IT Director, responded that RSIC would be implementing Co-Pilot, a Microsoft product and a logical option for the agency due to current suite of Microsoft Office products in use. The intent initially would be to use the AI tool for general administrative tasks such as summarizing emails, meetings, etc. Mr. Michael Hitchcock,

RSIC CEO, added that ultimately the agency would use the tool as a force multiplier enhancement tool to assist the agency with productivity and efficiencies in multiple areas.

IV. Compliance and Enterprise Risk Management Updates

Ms. Kennedy presented a Compliance Dashboard report which reflected various compliance items were on target, and there were no material issues to report.

Ms. Kennedy reported to the Committee that the annual risk assessment was underway and should be reported to the Committee at the next Committee meeting. ERM and the RSIC risk owners had been working with RSIC consultants, Funston Advisory Services LLC ('Funston'), to devise quantitative metrics for RSIC's enterprise risk dashboard. The results should help inform the agency and Committee of RSIC's current risks and of the two consulting reviews to be conducted in last half of 2026. Mr. Deon and Mr. Condon inquired about the relationship and analysis, and Ms. Kennedy reported that the process had been going well with multiple Funston subject matter expert meetings with the RSIC risk owners and that the current process included identifying the material risks and quantitative measures for those risks. Mr. Hitchcock added the Funston process had been thorough and thoughtful, and we looked forward to the collective results of the process and the utility of this new approach.

V. Executive Session

Chair Deon noted that no Executive Session was required for the meeting and moved on to the next agenda item.

VI. Adjourn

There being no further business, Mr. Deon adjourned the meeting.