

NHRS Board of Trustees, Audit Committee
June 2022

NOTE: These minutes from the June 14, 2022 Audit Committee meeting were approved and executed at the July 12, 2022 regular meeting of the NHRS Audit Committee.

**Audit Committee
Board of Trustees**

**Public Minutes
June 14, 2022**

**New Hampshire Retirement System
54 Regional Drive
Concord, NH 03301**

Participating Committee Members: Monica Mezzapelle, Chair; Maureen Kelliher, Tim Lesko, and Germano Martins. *Absent:* Chris Coates.

Staff participating: Jan Goodwin, *Executive Director*; Timothy Crutchfield, *Deputy Director and Chief Legal Counsel*; Mark Cavanaugh, *Associate Counsel and Compliance Officer*; Frank Clough, *Director of IT*; Heather Hoffacker, *Internal Auditor*; Larry Johansen, *Director of Investments*; Nancy Miller, *Director of Member Services*; Christopher Murphy, *IT Systems Administrator* and Heather Fritzky, *Assistant Director of Finance & Controller*.

Attending Trustee: Robert Maloney.

A roll call was taken and upon ascertainment of a quorum, the Chair called the meeting to order at 9:30 a.m.

The Plante Moran Fiscal Year 2022 Audit Plan presentation was made by Bob Dobrowsky, CPA, Engagement Partner; Michelle Watterworth, CPA, Colleague Partner; and Spencer Tawa, CPA, Engagement Senior Manager. The audit will express an opinion on the June 30, 2022 NHRS basic financial statements; the Schedule of Employer Allocations of the NHRS Cost-Sharing Multiple-Employer Defined Pension Plan; and the Schedule of Employer Allocations of the NHRS Cost-Sharing Multiple-Employer Postemployment Medical Subsidy Healthcare Plan.

In addition to the discussion of the general audit engagement scope and purpose, the Plante Moran representatives also addressed changes to the AICPA Auditing Standards that will affect this year's audit.

Upon a request from the Chair, a motion was made by Trustee Kelliher to accept the public minutes of the May 10, 2022 Audit Committee meeting. Trustee Lesko seconded the motion and the minutes were approved unanimously.

Ms. Hoffacker discussed the outstanding items on the Internal Audit Tracker. The number of outstanding employer audit files waiting to be processed by Member

Services on June 2nd was 28. The number of files requiring submissions from employers was 143. Combined this totals 171, 21 files less than outstanding in May.

Ms. Hoffacker discussed the completion of the new policies and procedures for working with the LexisNexis system have been delayed because there have been delays in the implementation of the new system itself. The system needs to be in place to develop and test the new procedures. Management is currently expecting the new processes will be in place and documented by August 1, 2022.

The Employer Auditors have completed the initial census data review of 20 of the 22 employers chosen by Plante Moran and the files have been forwarded to Internal Audit for detailed secondary review.

The quarterly Data Risk Assessment Project Plan (DRAPP) update indicated that 3 items have been updated, 2 of which involved implementing additional multi-factor authentication for the Contact Center and that the Text Tree Testing had been completed during the quarter.

No further business came before the Committee. The next meeting has been scheduled for July 12, 2022.

A motion was made by Trustee Lesko to adjourn the meeting, seconded by Trustee Kelliher, and approved with a unanimous vote.

Respectfully submitted,

Heather Hoffacker