

NHRS Board of Trustees, Audit Committee  
May 2022

**NOTE:** These minutes from the May 10, 2022 Audit Committee meeting were approved and executed at the June 14, 2022 regular meeting of the NHRS Audit Committee.

**Audit Committee  
Board of Trustees**

**Public Minutes  
May 10, 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* and Gerard Murphy, *Director of Finance*.

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

Upon a request from the Chair, a motion was made by Trustee Kelliher to accept the public minutes of the April 12, 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 April 28<sup>th</sup> is 30. The number of files requiring submissions from employers is 162.

Regarding the audit recommendations of the NHRS Policy and Procedure Management System, arrangements have been made for staff to have access to online training with Navex/Global. Staff has been notified of the training opportunities with instructions for access. As a result, this item will be closed.

Ms. Hoffacker discussed the Audit Plan. The Pension Recoupment Audit is in process and on-track to be completed and presented at the June Audit Committee Meeting. Data has been obtained from Pension Gold and is currently being reviewed.

A trial run of the text tree notification process, which has replaced the phone tree as part of the Business Continuity Plan, was performed. We anticipate performing the process again in a few months.

The Census Data Audits are currently in process. Twenty-two employers were chosen by Plante Moran. At this time 2 have been completed by staff and forwarded to Internal Audit for review.

Ms. Hoffacker discussed the proposed Audit Plan for fiscal year 2023 with the updated Risk Assessments as presented in April. Ms. Hoffacker explained the process for updating the Risk Assessment worksheet and how the items included on the proposed Audit Plan were chosen. A brief explanation of how the audit plan is used as a tool for scheduling audit work throughout the fiscal year was also provided.

Upon a request from the Chair, a motion for the approval of the fiscal year 2023 Audit Plan was made by Trustee Lesko and seconded by Trustee Kelliher. The motion was approved unanimously.

Mr. Murphy discussed the pending transfer of the custody of blank check stock to the Internal Auditor. He discussed the preparations for the upcoming fiscal year 2022 audits by Plante Moran and the implementation of GASB 87. He discussed recent conversations and upcoming procedural changes regarding alternative investments, which are expected to be finalized by the end of this fiscal year.

No further business came before the Committee. The next meeting has been scheduled for June 14, 2022.

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

*Respectfully submitted,*

*Heather Hoffacker*