

NHRS Board of Trustees, Audit Committee  
November 2021

**NOTE:** These minutes from the November 9, 2021 Audit Committee meeting were approved and executed at the December 14, 2021 regular meeting of the NHRS Audit Committee.

**Audit Committee  
Board of Trustees**

**Public Minutes  
November 9, 2021**

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

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

*Staff participating:* Jan Goodwin, *Executive Director*; Timothy Crutchfield, *Deputy Director and Chief Legal Counsel*; Frank Clough, *Director of IT*; Heather Hoffacker, *Internal Auditor*; Larry Johansen, *Director of Investments*; Tracy Knight, *IT Senior Business Analyst*; Cecile Merrill, *Project Manager*; Nancy Miller, *Director of Member Services*; Christopher Murphy, *IT Systems Administrator*; Gerard Murphy, *Director of Finance* and Ann Stetson, *Business Support Analyst*.

Upon ascertainment of a quorum, the Chair called the meeting to order at 9:15 a.m.

Upon a request from the Chair, a motion was made by Trustee Lesko to accept the public minutes of the October 12, 2021 Audit Committee meeting. Trustee Martins seconded the motion. The minutes were approved unanimously.

Ms. Hoffacker discussed the Audit Issues Tracker report. The Member Retirement Process – QDRO Wizard item has been closed as this item will be completed in conjunction with the completion of the PGV3 project. Updated totals for the Employer Audit Adjustments backlog as of October 25<sup>th</sup> include 84 files to be processed and 213 items waiting for additional documentation from employers before processing. The Info@ Email Audit has also been closed as all agreed upon actions have been taken.

Regarding the Audit Plan, the audit of the policy and procedure document management system is still in process and 2 additional items have been added as consultations. These additional items include the Direct Deposit Risk Report, which is part of PGV3, and the other item is the addition of an Address Change Authentication Procedure for the Contact Center to start processing changes to demographic information.

Regarding the Plante Moran financial audit, Mr. Murphy discussed delays in gathering information and a technical issue, both of which have been resolved. Finance is continuing to work on the draft ACFR and the remaining audit items. Finance is on

track to have Plante Moran present the audit at the December Audit Committee meeting. The draft ACFR should be ready to be presented at the December Board meeting.

Mr. Crutchfield discussed the Annual Ethics Survey Results. The return percentages compared favorably with prior years and no compliance issues were noted. Upon a request from the Chair, a motion was made by Trustee Kelliher to recommend the Ethics Score Card to the full Board for approval. This motion was seconded by Trustee Martins and approved unanimously.

Next, Ms. Knight discussed the PGV3 project status. The project is currently 47% complete. In Deliverable 3 (D3), the benefit calculations are 93% complete. Deliverable 4 (D4) has started, including QDRO, insurance, medical subsidy and benefit maintenance, and is 12% complete. D3 User Acceptance Testing is 90% complete with 1 remaining test case being tested. 21 of the 50 open Data Conversion issues are currently being worked on. NHRS has met with two additional vendor payroll companies as part of the Employer Reporting process in D4.

No further business came before the Committee. The next meeting has been scheduled for December 14, 2021.

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

*Respectfully submitted,*

*Heather Hoffacker*