

NHRS Board of Trustees, Audit Committee  
October 2021

**NOTE:** These minutes from the October 12, 2021 Audit Committee meeting were approved and executed at the November 9, 2021 regular meeting of the NHRS Audit Committee.

**Audit Committee  
Board of Trustees**

**Public Minutes  
October 12, 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*.

*Attending Trustee:* Robert Maloney

Ms. Hoffacker took a roll call. 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 Kelliher to accept the public minutes of the September 14, 2021 Audit Committee meeting. Trustee Lesko seconded the motion. A roll call was taken. Trustee Martins abstained. The minutes were approved unanimously.

Ms. Hoffacker discussed the Audit Issues Tracker report. She started by stating that the "Info@" Email Administration Audit has been completed and added to the Tracker. Then she discussed that the Audit Tracker Document will be formatted differently moving forward to ensure that data is as current as possible when being presented. She stated that currently the Employer Audit Adjustments backlog includes 81 files to be adjusted and 200 audits that require documentation from the employers before processing. This information was received after the meeting packet was created, thus it isn't included in the October packet, but will be up-to-date in November.

Ms. Hoffacker discussed updates to the Audit Plan which included the addition of two future audits: 1) review of the Navex One System and 2) the procedure for identifying member deaths.

Ms. Hoffacker discussed the “Info@” Email Administration Audit. Sixty-four email response samples were compared to organizational policies and procedures. These samples were dated from December 2020 through August 2021. There were no compliance issues found regarding these samples. It was noted during the review of staff training documents that not all Contact Center Representatives had read all of the policy and procedure documents sampled. Internal Audit has recommended that these documents should be read. Management agreed.

Ms. Hoffacker discussed that Ms. Cone had been in contact with Plante Moran regarding the completed GASB audits and Ms. Cone had answered the one question they had brought to her. It is understood that there are no further questions regarding the GASB audits.

Mr. Murphy discussed the Plante Moran financial audit scheduled for fieldwork in October. Due to NHRS organizational changes in response to Covid-19, the Plante Moran fieldwork will be done entirely remotely. Fieldwork has started, and the NHRS Finance Department and Plante Moran will be meeting remotely every two days. The process is on track for the presentation of the audit results and the Annual Comprehensive Financial Report at the December Audit Committee meeting.

Mr. Crutchfield discussed the current status of Ethics Survey returns. More than 90% of the surveys have been returned. It is expected that the results of the survey will be available and presented to the Audit Committee and full Board for action next month.

Next, Ms. Merrill introduced Tracy Knight and Ann Stetson who will be taking over the PGV3 project responsibilities upon Ms. Merrill’s retirement in December. The project is currently 47% complete. In Deliverable 3 (D3), the benefit calculations are at 91% complete. Deliverable 4 (D4) has started including QDRO, insurance and benefit maintenance, and is at 10% complete. D3 User Acceptance Testing is at 58% complete. Some testing is behind schedule. Two change requests have been delivered to NHRS for approval. Of 25 data conversion issues, 13 are actively being worked on. The Employer Rollout Committee has begun meeting with employer payroll vendors to discuss the upcoming changes. Change Management held their quarterly staff meeting in September.

No further business came before the Committee. The next meeting has been scheduled for November 9, 2021.

A motion was made by Trustee Lesko to adjourn the meeting. Trustee Martins seconded the motion, a roll call was taken and the meeting was adjourned with a unanimous vote.

*Respectfully submitted,*

*Heather Hoffacker*