

NHRS Board of Trustees, Audit Committee
September 8, 2020

NOTE: These minutes from the September 8, 2020 Audit Committee meeting were approved and executed at the October 13, 2020 regular meeting of the NHRS Audit Committee

**Audit Committee
Board of Trustees**

**Public Minutes
September 8, 2020**

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

The NHRS office was closed to the public as a result of COVID-19 and the meeting was held via video conferencing. Pursuant to RSA 91-A, all votes were by roll call.

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

Staff participating: George Lagos, *Executive Director*; Mark Cavanaugh, Esq., *Associate Counsel and Compliance Officer*; Frank Clough, *Director of IT*; Nancy Cone, *Internal Auditor*; Timothy Crutchfield, Esq., *Chief Legal Counsel*; Larry Johansen, *Director of Investments*; Nancy Miller, *Director of Member Services*; and Gerard Murphy, *Director of Finance*.

The Chair called the meeting to order at 9:30 a.m. Upon a request from the Chair, a motion was made by Trustee Lesko to accept the public minutes of the August 11, 2020 Audit Committee meeting. Trustee Coates seconded the motion and it passed unanimously.

Ms. Cone then discussed the Audit Issues Tracker report that has five outstanding items. Four of the outstanding items are anticipated to be completed by the end of September and one will be addressed over the longer term with the implementation of PGV3. The first step of the Action Plans for two of the four outstanding items are anticipated to be completed by the end of September.

She then reviewed the FY2021 Internal Audit Plan status. The twenty-two GASB employer census data audits were completed and delivered to Plante Moran. The PensionGold User Access Rights audit for the Finance and Legal areas was completed with no issues noted and the report will be presented at next month's meeting. The Member Services portion of the PensionGold User Access Rights audit is on hold pending the annual review of those rights in October. Also, there are several Consulting Activities in process.

Mr. Lagos then updated the Committee on the Data Security Remediation project. The consultants who performed the initial risk assessment have been contacted to perform

a follow-up review to evaluate the progress and validate the results and NHRS is awaiting their response as to their availability.

The plan to remediate issues arising from Plante Moran's FY2019 GASB and CAFR audits is unchanged since last month and the remaining four items are expected to be completed on time by December 31, 2020. Mr. Murphy added that by September 30th the internal testing for the last of the three actuarial extracts should be completed. The first two reports have already undergone internal testing and been provided to GRS and Plante Moran.

Ms. Cone then discussed the Audit Committee Charter and the Audit Policy that is up for the annual Committee review. She has no suggested revisions and the Committee agreed. As there are no revisions, no action is required by the Committee.

The Chair noted that there did not appear to be any matters requiring a non-public session today and the Committee members agreed.

No further business came before the Committee.

A motion to adjourn made by Trustee Lesko and seconded by Trustee Mezzapelle carried unanimously.

Respectfully submitted,

Nancy B. Cone