**School Employees Retirement System**

# AUDIT COMMITTEE MINUTES

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| **Preparer** | Megan Robertson | **Meeting Date**: | September 20, 2023 |
| **Committee Chair** | Barbra Phillips | Committee roll call was as follows: Catherine Moss, James Rossler. Absent: Barbra Phillips.<br><br>**Also in Attendance:**<br>Lisa Reid, Representative of the Ohio Attorney General, and members of the public. SERS Staff Members: Jeff Davis, Joe Marotta, Marni Hall, Richard Stensrud, Karen Roggenkamp, Vatina Gray, Olivia Hill, Nicole Whitacre, and Megan Robertson. | |

**Agenda**

1. Roll call (R)
2. Approval of June 14, 2023, minutes (R)
3. External Audit Update
4. Chief Audit Officer's Report
    - Q1 Update on the FY2024 Audit Plan
    - Audit Committee Charter
    - Internal Audit – Risk Management Coordination
    - Recently Completed Audits, Other Activities
5. Approve modification to Audit Committee Charter (R)
6. Executive session pursuant to R.C. 121.22 (G) (1) to consider the employment of a public employee (R)
7. Audit committee requests and follow-up items
8. Adjournment

**Discussion**

The meeting began in open session at 2:30 p.m.

**Roll Call**

The SERS regular Audit committee began with a roll call. The committee roll call was as follows: Catherine Moss, James Rossler. Absent: Barbra Phillips.

Also in attendance were Lisa Reid, Representative of the Ohio Attorney General, and members of the public. SERS Staff Members: Jeff Davis, Joe Marotta, Marni Hall, Richard Stensrud, Karen Roggenkamp, Vatina Gray, Olivia Hill, Nicole Whitacre, and Megan Robertson.

**Approval of Minutes**

Catherine Moss moved, and James Rossler seconded the motion to approve the minutes of the Audit Committee meeting held on June 14, 2023. Upon roll call, the vote was as follows: Yea: Catherine Moss, James Rossler. Absent: Barbra Phillips. The motion carried.

**FY2023 External Audit Update**

Marni Hall, CFO, provided a status update on the external audit. The audit is underway with a plan to present the finished results at the December 2023 board meeting. The audit work is expected to be completed by the end of November. There have been no issues noted to date. The is the first year of the five-year contract with Plante Moran.

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| | **Chief Audit Officer's Report**<br><br>Mr. Davis provided a presentation on the status of his FY2024 Internal Audit Plan for the first quarter. The audit of Undue Influence has been completed with a report issued to the Audit Committee. The audits of Investment Incentive Compensation and Conflict of Interest are substantially completed, and reports will be issued before the end of September. The audit of Employer Reporting, that was carried over from FY2023 has been completed and the report sent to the Audit Committee. An audit of Member Services – Survivor Benefits is underway. Also, an audit of Purchasing/Contracts audit has been put on hold until later in the fiscal year. The RFP process for an external audit of Identity and Access Management will begin after the December Audit Committee meeting with the RFP to be issued in January 2024.<br><br>Mr. Davis next discussed an update to the Audit Committee Charter. The charter is up to date with the exception of one minor correction that is required. Specifically, the audit committee charter refers to the Comprehensive Annual Financial Report (CAFR). The name of the report was recently changed to the Annual Comprehensive Financial Report (ACFR). The committee approved a resolution to make the change to the charter.<br><br>**Approval of Modification to Audit Committee Charter**<br><br>Catherine Moss moved, and James Rossler seconded the motion to recommend to the SERS Board an amendment to the Audit Committee Charter. Specifically, language in section 1.4 of the Charter that reads "Review the Comprehensive Annual Financial Report will be amended to state "Review the Annual Comprehensive Financial Report". Upon roll call, the vote was as follows: Yea: Catherine Moss, James Rossler. Absent: Barbra Phillips. The motion carried.<br><br>**Chief Audit Officer's Report Continued**<br><br>The CAO next discussed coordination between the Internal Audit office and Risk Management. Mr. Davis discussed the efforts to coordinate audit and risk management activities, enterprise-wide risks and the appropriate roles for Internal Audit related to Risk Management. The audit process was also briefly discussed.<br><br>Mr. Davis reviewed the results of the recently completed audits and other activities.<br><br>**Executive session pursuant to R.C. 121.22 (G) (1) to discuss the employment of a public employee (R)**<br><br>Catherine Moss moved, and James Rossler seconded the motion that the Audit Committee convene into Executive Session pursuant to R.C. 121.22 (G) (1) to discuss the employment of a public employee. Upon roll call, the vote was as follows: Yea: Catherine Moss, James Rossler. Absent: Barbra Phillips. The motion carried.<br><br>The committee convened in executive session at 2:51 p.m.<br><br>The committee returned to open session at 3:04 p.m.<br><br>**Committee Requests and Follow Up Items**<br><br>There were no requests or follow-up items discussed.<br><br>The meeting adjourned at 3:04 p.m. |

| | Action Items | Assigned Person | Due Date |
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| **Action Items** | n/a | | |
| **Agenda for Next Meeting** | | | |

James Rossler, Acting Committee Chair

Richard Stensrud, Secretary