School Employees Retirement System

AUDIT COMMITTEE MINUTES

Preparer	Megan Robertson	**Meeting Date**:	June 20, 2024

Committee Chair	Barbra Phillips	Committee roll call was as follows: James Rossler, Catherine Moss. Absent: Barbra Phillips. **Also in Attendance:** SERS Board Member: Aimee Russell. ORSC representative, Ryan Hennigan. SERS Staff Members: Jeff Davis, Joe Marotta, Marni Hall, Richard Stensrud, Karen Roggenkamp, Vatina Gray, Nicole Whitacre, Amy Clark and Megan Robertson. Lisa Reid, Representative of the Ohio Attorney General joined remotely via Zoom, along with members of the public.

Agenda

1. Roll call (R)
2. Approval of March 20, 2024, minutes (R)
3. External Audit Update
    - Plante Moran Audit Presentation
4. Executive session pursuant to R.C. 121.22 (G)(6) to discuss security matters (R)
    - Crowe Presentation
5. Internal Audit Update: Chief Audit Officer's Report
    - Q4 Update on the FY2024 Audit Plan
    - Status of Audit Recommendations
    - FY25 Audit Planning
    - FY25 Audit Plan
    - Recently Completed Audits, Other Activities
6. Review and Approve FY25 Internal Audit Plan (R)
7. Annual Confirmation of Internal Audit Independence
8. Executive session pursuant to R.C. 121.22 (G) (1) to consider the employment and compensation of a public employee (R)
9. Approve Chief Audit Officer Goals (R)
10. Audit committee requests and follow-up items
11. Adjournment

Discussion

The meeting began in open session at 2:38 p.m.

Roll Call

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

Also in attendance was Lisa Reid, Representative of the Ohio Attorney General joined remotely via Zoom, along with members of the public. SERS Staff Members: Jeff Davis, Joe Marotta, Marni Hall, Christi Pepe, Richard Stensrud, Karen Roggenkamp, Vatina Gray, Nicole Whitacre, and Megan Robertson.

External Audit Update

SERS Chief Aduit Officer, Jeff Davis, introduced the audit team from Plante Moran. This will be Plante Moran's second year auditing SERS. Kristin Hunt, Engagement Partner and Ashley Raden, Manager, from Plante Moran provided a presentation to the Audit Committee. The presentation included the following pre-audit communication topics:

	• Audits to Perform • Auditor Responsibilities • Identification of Significant Risks • Plant Moran' Approach to internal Control • Materiality • Expected Audit Timeline • Accounting Standard Changes for FY2024 • Questions/Audit Committee Member Views **<u>Executive session pursuant to R.C. 121.22 (G)(6) to discuss security matters (R)</u>** Catherine Moss moved, and James Rossler seconded the motion that the Audit Committee convene into Executive Session pursuant to R.C. 121.22 (G)(6) to discuss security matters. Upon roll call, the vote was as follows: Yea: James Rossler, Catherine Moss. Absent: Barbra Phillips. The motion carried. The committee convened in executive session at 2:49 p.m. The committee returned to open session at 3:02 p.m. **<u>Chief Audit Officer's Report</u>** Mr. Davis provided a presentation on the status of his FY2024 Internal Audit Plan for the fourth quarter. The audit plan has been substantially completed. One current audit, Tenant and Parking Revenue is an ongoing audit that should be completed in the next few weeks. Mr. Davis continued his presentation by reviewing the FY25 audit plan. Mr. Davis also touched briefly on the status of an external audit recommendation related to monthly bank reconciliations. Finance is currently implementing corrective action. Recently completed audits and other activities were also briefly discussed. After questions and discussion, the committee thanked Mr. Davis for his update. **<u>Review and Approve FY25 Internal Audit Plan</u>** Catherine Moss moved, and James Rossler seconded the motion that the FY 2025 Internal Audit Plan, as discussed at the June 20, 2024, Audit Committee meeting, be approved. Upon roll call, the vote was as follows: Yea: James Rossler, Catherine Moss. Absent: Barbra Phillips. The motion carried. **<u>Annual Confirmation of Internal Audit Independence</u>** Mr. Davis reported SERS' internal auditors must maintain independence and objectivity in performing their duties. Specifically, the Institute of Internal Auditors (IIA) *Standards* have several requirements that were affirmed by Mr. Davis. There were no issues and no conflicts of interest to report. **<u>Approval of Minutes</u>** Catherine Moss moved, and James Rossler seconded the motion to approve the minutes of the Audit Committee meeting held on March 20, 2024. Upon roll call, the vote

was as follows: Yea: James Rossler, Catherine Moss. Absent: Barbra Phillips. The motion carried.

Executive session pursuant to R.C. 121.22 (G)(1) to discuss the employment and compensation of a public employee (R)

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 and compensation of a public employee. Upon roll call, the vote was as follows: Yea: James Rossler, Catherine Moss. Absent: Barbra Phillips. The motion carried.

The committee convened in executive session at 3:17 p.m.

The committee returned to open session at 3:35 p.m.

Approve Chief Audit Officer Goals

Catherine Moss moved, and James Rossler seconded the motion to approve the Chief Audit Officer’s goals for FY2025. Upon roll call, the vote was as follows: Yea: James Rossler, Catherine Moss. Absent: Barbra Phillips The motion carried.

Recommended Merit Increase in Salary for Chief Audit Officer

Catherine Moss moved, and James Rossler seconded the motion to recommend to the Board that Chief Audit Officer, Jeff Davis, receive a merit increase in salary effective the first pay of Fiscal Year 2025. Upon roll call, the vote was as follows: Yea: James Rossler, Catherine Moss. Absent: Barbra Phillips The motion carried.

Committee Requests and Follow Up Items

The next audit committee meeting will be September 18, 2024.

There were no requests or follow-up items discussed.

The meeting adjourned at 3:36 p.m.

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

James Rossler, Acting Committee Chair

Richard Stensrud, Secretary