



**STATE OF DELAWARE**  
**STATE BOARD OF PENSION TRUSTEES**  
**AND**  
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**BOARD OF PENSION TRUSTEES**  
**AUDIT COMMITTEE**  
**PUBLIC MINUTES OF AUGUST 1, 2016**

The meeting of the Board of Pension Trustees Audit Committee was called to order by Mark Finrock, at 9:00 a.m. at 3 Mill Road, Wilmington, DE 19807.

Audit Committee Members Present

Mark Finrock, Chair  
James Burke  
Kathy White  
Araya Debssay  
Robert Paretta

Office of Pensions

David Craik  
Amy Jozwiak  
Khairat Makanjuola

Delaware Department of Justice  
Ann Marie Johnson, Deputy Attorney General

TBV Advisors  
Paul Roth

Audit Committee Members Not Present

Stephen Ritchie

Ashford Consulting Group

Sophia Smith

DTI

Elaine Starkey  
Earl Dempsey

BDO

James Doyle  
Brock Thomas  
Keith Hammond

## **1. OPENING COMMENTS**

M. Finfrock welcomed everyone to the Audit Committee meeting.

## **2. APPROVAL OF THE MINUTES**

The Audit Committee reviewed the public minutes of the June 21, 2016 meeting.

MOTION made by J. Burke and seconded by K. White to approve the minutes of the Audit Committee of June 21, 2016.

MOTION ADOPTED UNANIMOUSLY

The Audit Committee reviewed the executive minutes of the June 21, 2016 meeting.

MOTION made by K. White and seconded by J. Burke to approve the executive minutes, of the Audit Committee of June 21, 2016.

MOTION ADOPTED UNANIMOUSLY

MOTION made by J. Burke and seconded by R. Paretta to move into Executive Session for the purpose of discussing confidential financial information, sensitive commercial information, and proprietary business information.

MOTION ADOPTED UNANIMOUSLY

MOTION made by K. White and seconded by J. Burke to exit Executive Session.

MOTION ADOPTED UNANIMOUSLY

### **3. CYBER SECURITY PRESENTATION**

Elaine Starkey and Earl Dempsey gave a presentation on Delaware Department of Technology and Information role in cyber security for the State of Delaware.

### **2. AUDIT DISCUSSION**

D. Craik and Jim Doyle of BDO provided updated information on the status of the 2016 audit.

### **3. GASB72 OVERVIEW and GASB 67 UPDATE**

Sophia Smith and Khairat Makanjuola provided the Audit Committee with a presentation on the recent updates to GASB 67 and overview of the GASB 72.

### **4. RISK MANAGEMENT REPORT**

P. Roth provided updated risk management information.

### **5. 2016 MEETING DATES**

The October 27, 2016 meeting will include a presentation from BDO on the 2016 Audit.

### **7. DEPUTY ATTORNEY GENERAL REPORT**

A. Johnson reported on corrected National Association of Public Pension Attorneys memo including the topics covering IRS tax qualification, Private Equity, and conflict of interest.

### **8. NEW BUSINESS**

M. Finfrock asked if anyone has an agenda item for upcoming meetings to let him know in advance.

## 9. ADJOURNMENT

At 12:00 p.m., there being no further business, MOTION was made by R. Paretta and seconded by J. Burke to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

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Mark Finrock, Chair  
Board of Pension Trustees, Audit Committee

cc: Audit Committee Members  
Ann Marie Johnson, DAG  
Suzanne B. Grant, Board Chair  
David Craik, Pension Administrator