

STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
AND
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BOARD OF PENSION TRUSTEES
AUDIT COMMITTEE
PUBLIC MINUTES OF FEBRUARY 8, 2019

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

Committee Members Present

Mark Finrock
Robert Paretta
Araya Debessay
Kathy White
Jim Burke
Stephen Ritchie

Committee Members Absent

Others Present

Dave Craik, Pension Office
Joanna Adams, Pension Office
Terri Timmons, Pension Office
Stephenie Tatman, Pension Office
Ann Marie Johnson, Deputy Attorney General
Bert Scoglietti, OMB
Paul Roth, TBV Advisors
Khairat Makanjoula, Pension Office
Joseph Seibert, KPMG
Brian Shuey, KPMG
Mike DeVitas, KPMG
Keith Hammond, BDO
James Doyle, BDO
Brock Thomas, BDO
Sophia Smith, Windmark

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 November 2, 2018 meeting.

MOTION made by R. Paretta and seconded by K. White to approve the Public Minutes of the November 2, 2018 meeting.

MOTION ADOPTED UNANIMOUSLY

The Audit Committee reviewed the Executive Minutes of the November 2, 2018 meeting.

MOTION made by R. Paretta and seconded by A. Debessay to approve the Executive Minutes of the November 2, 2018 meeting, subject to edits discussed in Executive Session.

MOTION ADOPTED UNANIMOUSLY

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

MOTION ADOPTED UNANIMOUSLY

The Audit Committee then moved into Executive Session to discussing confidential financial information, sensitive commercial information, and proprietary business information.

3. EXTERNAL AUDIT REPORT

No report.

4. INTERNAL AUDIT REPORT

No Report.

5. Risk MANAGEMENT REPORT

No report.

6. MEETING DATES

The Audit Committee will meet on the following dates: May 3rd, July 19th, and either on October 18th or November 15th. The entrance audit meeting will be held on May 3, 2019.

7. DEPUTY ATTORNEY GENERAL REPORT

No report.

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

MOTION ADOPTED UNANIMOUSLY

8. NEW BUSINESS

D. Craik stated that the Audit Committee members would be receiving an email in regards to completing the Secure the Human CBT training by June.

Legislation

D. Craik and A. Johnson have been working on draft legislation to amend Title 11 and Title 29 of the Delaware Code relating to the Board of Pension Trustees and the administration of the Pension Plans. D. Craik reported on part of the draft legislation that the Audit Committee might be interested in.

- Giving the sole authority to contract with a CPA firm for an annual financial audit of each of the plans. The Board may consult with the Auditor of Accounts in the selection of the CPA firm to perform the annual audit.
- Legislative sponsors are needed for this legislation.

9. ADJOURNMENT

At 11:05 a.m., there being no further business, **MOTION** was made by J. Burke and seconded by K. White to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

David C. Craik
Pensions Administrator

Mark Finrock, Chair
Audit Committee