

Meeting Minutes | Finance, Administration, Audit and Compliance (FAAC) Committee

Tuesday, November 3, 2015 | 3:15 p.m.
200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Minutes Approved December 2, 2015

Board Members Present: Mr. Arthur Bjontegard, Chairman Steve Matthews, and Mr. Steve Osborne

Board Members Absent: Ms. Stacy Kubu

Others Present for All or a Portion of the Meeting: Phyllis Buie, Jeremy Cannon, Sarah Corbett, Sharon Graham, Doug Hislop, Ariel Kirk, Heather Muller, Tammy Nichols, Lisa Phipps, Breta Rheney, Sue Sadik, Travis Turner, Stephen Van Camp, Lori Anna Varnadoe, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA).

I. Call to Order

Chairman Steve Matthews called the PEBA Finance, Administration, Audit and Compliance (FAAC) Committee meeting to order at 3:15 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Adoption of Proposed Agenda

Mr. Art Bjontegard made a motion, which was seconded by Steve Osborne, and passed unanimously, to adopt the proposed meeting agenda.

III. Approval of Meeting Minutes- September 8, 2015

Mr. Bjontegard made a motion, which was seconded by Mr. Osborne, and passed unanimously, to approve the minutes from the September 8, 2015, Committee meeting.

IV. FY 14/15 Health Insurance Financial Statement Audit

FY 14/15 South Carolina Retirement Systems (SCRS) Financial Statement Audit

Mr. Travis Turner, Chief Financial Officer, presented both the Health Financial Statement and the SCRS Financial Statement Audits for fiscal year 2014-2015. Mr. Turner reported that both audit reports are unmodified "clean" opinions with no internal control findings and no deficiencies identified. Mr. Turner stated that the Health Insurance Financial Statement was previously three separate financial statements, and have been combined to one financial statement. Mr. Turner advised that PEBA staff anticipates having a unified Comprehensive Annual Financial Report (CAFR) next year with all of the PEBA financial information included. Mr. Turner added that the current CAFR is due at the end of December 2015. Mr. Turner thanked PEBA staff for their efforts in preparing the financial statements and for the "clean" audits with no deficiencies.

Chairman Matthews thanked Mr. Turner for his presentation, and noted that the FAAC Committee received both financial statements as information.

V. Dashboard Review

Ms. Sarah Corbett, Chief Operating Officer, presented the Dashboard Review to the Committee. Ms. Corbett stated that the Dashboard Review was created in response to the Committee's request in preparation for strategic planning. After reviewing the dashboard, the Committee noted several items that they would like to include on the dashboard in the future. The Committee also requested that the dashboard be condensed to contain only operational measures that PEBA can internally control, and perhaps adding historical trend data on a yearly basis.

VI. Old Business/Director's Report

Ms. Corbett provided the Director's Report, and stated that PEBA recently held a very productive Strategic Planning and Staff Development meeting for management staff.

Chairman Matthews advised the Committee that the PEBA Board Strategic Planning Retreat is tentatively scheduled for April 18-19, 2016, in Wampee, South Carolina.

VII. Executive Session Pursuant to S.C. Code of Laws § 30-4-70 a)(2) and § 30-4-70(a)(3) to discuss a proposed contractual arrangement to conduct a computer security assessment for PEBA and to provide computer incident response support. Also, to discuss employment of an Enterprise Risk Manager under § 30-4-70(a)(1).

At 3:50 p.m., Mr. Osborne made a motion, which was seconded by Mr. Bjontegard, and passed unanimously, to recede into executive session to discuss a proposed contractual arrangement to conduct a computer security assessment for PEBA and to provide computer incident response support. Also, to discuss employment of an Enterprise Risk Manager under § 30-4-70(a)(1).

The Committee thereupon receded into executive session.

The Committee reconvened in open session at 4:05 p.m. It was noted that no action was taken by the Committee while in executive session.

VIII. Adjournment

There being no further business, and upon motion from Mr. Osborne, which was seconded by Mr. Bjontegard, and passed unanimously, the Committee meeting adjourned at 4:06 p.m.