

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

Wednesday, December 5, 2018 | 8:30 a.m.
202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes Approved March 6, 2019

Board Members Present: Ms. Paige Lewis, Chairman Steve Matthews, Mr. Audie Penn, and Mr. Chuck Richardson

Others Present for All or a Portion of the Meeting: Bob Avery, Shawunda Baker, Ashley Brindle, Kim Brown, Phyllis Buie, Amber Carter, Sarah Corbett, Joe Greene, Doug Hislop, Mike McDermott, Evan Mitchell, Heather Muller, Tammy Nichols, John Page, Travis Turner, Stephen Van Camp, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Joe Newton and Danny White from Gabriel, Roeder, Smith & Company; Thomas Rey from CliftonLarsonAllen; and Steve Hall from Deloitte.

I. Call to Order

Chairman Steve Matthews called the PEBA Finance, Administration, Audit and Compliance (FAAC) Committee meeting to order at 8:30 a.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of Meeting Minutes- September 5, 2018

Ms. Paige Lewis made a motion, which was seconded by Mr. Chuck Richardson, and passed unanimously, to approve the minutes from the September 5, 2018, Committee meeting.

III. Financial Statements Audit Review

Mr. Travis Turner, Chief Financial Officer, introduced Mr. Thomas Rey, CPA, from CliftonLarsonAllen, PEBA's External Auditor. Mr. Rey reviewed the Health Financial Statements and the South Carolina Retirement Systems (SCRS) Financial Statements, for the year ending June 30, 2018, as well as the Deferred Compensation Program Audit Reports for the year ending December 31, 2017. Mr. Rey reported that all three audit reports are unmodified "clean" opinions.

Mr. Rey also reviewed the net pension liability in accordance with GASB Statement No. 67 for the retirement trust funds as of June 30, 2018.

IV. Workforce Survey Results

Ms. Kim Brown, Human Resources Director, discussed the results of the recent Workforce Survey, which assesses workforce satisfaction and engagement, and is given to PEBA employees every two years. Ms. Brown advised that 50 percent of employees completed the anonymous survey

which contained a total of 45 questions in five main categories including: the job; individual perspective; the work group; the supervisor; and the agency. Ms. Brown concluded her presentation by reporting notable improvements over the 2016 survey results.

V. Internal Audit Reports

Mr. John Page, Director of Internal Audit, and Ms. Shawunda Baker, Internal Auditor, provided the PEBA internal audit reports including:

- A. Retirement Plan Enrollments
- B. PEBA Administrative Finances
- C. Retirement Plan Compliance- Judges and Solicitors Retirement System
- D. Internal Audit Plan Status Report
- E. Memo to FAAC- Annual Conflict of Interest Notification

VI. Old Business

It was noted that the Director's Report will be provided at the full Board meeting.

VII. Adjournment

There being no further business, and upon a motion from Ms. Lewis, which was seconded by Mr. Richardson, and approved unanimously, the Committee meeting adjourned at 9:27 a.m.