

**MINUTES OF THE  
WV CONSOLIDATED PUBLIC RETIREMENT BOARD  
INTERNAL AUDIT COMMITTEE  
MEETING OF JUNE 26, 2012**

A meeting of the West Virginia Consolidated Public Retirement Board Internal Audit Committee was held in the Legal Conference Room located at the offices of the Consolidated Public Retirement Board, 4101 MacCorkle Avenue, SE, Charleston, West Virginia, and was called to order at 10:05 a.m. by Cedric Greene, representing Acting Cabinet Secretary Ross Taylor and serving as Chairman in the absence of Acting Cabinet Secretary Taylor.

Roll Call

Members present were:

*Cedric Greene, representing Acting Cabinet Secretary Ross Taylor*  
*Diana Stout, representing Treasurer John Perdue*  
*Mack Parsons, representing Auditor Glen Gainer*

Those Committee members not present:

Captain Michael Corsaro  
Sergeant Tony Payne

A quorum was present.

Due notice had been published.

Also, present were:

Jeffrey Fleck, CPRB Executive Director  
Terasa L. Miller, CPRB Deputy Director  
Stephen Stockton, CPRB Compliance Officer  
Annamarie Short, CPRB Internal Auditor  
Brittany Smith, CPRB TRS Membership

**Item #1: Approval of the May 10, 2012 Meeting Minutes**

Ms. Stout made a motion to approve the May 10, 2012 meeting minutes. The motion was seconded by Mr. Parsons. The motion carried unanimously.

**Item # 2: Update on Dual Military Service Credit**

Annamarie Short, Internal Auditor, reported on Dual Military Service Credit and is working on her draft audit. She reviewed with the Committee a chart of members in PERS and Troopers. She announced that in 2005, a law was passed by the Legislature that prohibited Dual Military Service Credit if a member had already received Military Service Credit in another plan.

Ms. Short announced she plans to issue a report to Director Fleck within a month, then Director Fleck will have two weeks to thirty days to reply, and will bring it back to the Committee.

**Item # 3: Update on Risk Assessment and FY 2013 Audit Plan**

Ms. Short reported to the Committee regarding a Risk Assessment and the Fiscal Year 2013 Audit Plan. She announced the Risk Assessment was added to the FY 2013 Audit Plan in order to prepare a more productive audit plan. She announced in the Audit Plan she will be auditing the following topics: Dual Military Credit; Loans; Risk Assessment; PERS Reinstatements and TRS Reinstatements.

Ms. Stout made a motion the Committee approve the 2013 Annual Audit Plan. The motion was seconded by Mr. Parsons. The motion carried unanimously.

**Item # 4: Executive Director's Update on FY 11/12 Recommendations**

Ms. Short provided to the Committee a list of past recommendations on previous audits. She announced that she has met with Executive Director Fleck and gone over the list.

Executive Director Fleck updated and reviewed with the Committee on where the CPRB is with the past audit recommendations.

Mr. Parsons made a motion the Committee accept the Executive Director's Update Report. Ms. Stout seconded the motion. The motion carried unanimously.

**Item # 5: Internal Audit Committee Charter 2012 Revision**

Ms. Short reviewed the revisions and changes to the Internal Audit Charter with the Committee. She announced that she and Steve Stockton, Chief Compliance Officer, revised the date and updated the name of the Chairman of the Internal Audit Committee.

Ms. Stout recommended more changes needed to be made to the Charter and reviewed with the Committee a few of her recommendations. Ms. Stout informed Ms. Short she would send her the recommendations she thinks could be made to the Charter so that it would better fit the CPRB Internal Audit Committee and what we do.

**Item # 6: New Business**

Acting Chairman Greene asked the Committee if there was any new business to bring before the Committee. None was heard.

**Item # 7: Old Business**

Acting Chairman Greene asked the Committee if there was any old business to bring

before the Committee.


Deputy Director Miller asked Ms. Short the status on the MOU with the Auditor's Office regarding external audits. Ms. Short informed Deputy Director Miller she would follow up on it and report back.

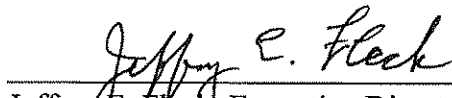
Acting Chairman Greene asked the Committee if there was any other old business to bring before the Committee. None was heard.

Mr. Parsons made a motion to adjourn the public meeting of the West Virginia Consolidated Public Retirement Board Internal Audit Committee. The motion was seconded by Ms. Stout. The motion carried unanimously.

Acting Chairman Greene adjourned the Internal Audit Committee Meeting at 9:38 a.m.

Respectfully submitted,

  
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Ross Taylor, Chairman

  
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Jeffrey E. Fleck, Executive Director