

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
ACCOUNTING AND AUDIT COMMITTEE MEETING
OF JANUARY 16, 2024**

A meeting of the West Virginia Consolidated Public Retirement Board Accounting and Audit Committee was held on Tuesday, January 16, 2024 at the Consolidated Public Retirement Board office at 601 57th Street, SE, Charleston, WV 25304.

Due notice had been published.

Item #1: Call to Order

The meeting was called to order at 1:03 p.m. by Mike McKown, Acting Chair.

Item #2: Roll Call

Members present were:

Bill Barker (*via telephone*)
Mike McKown
Jeff Vallet (*via telephone*)
Dominique Ranieri (*via telephone*)

Member absent was:

Jeff Waybright, *representing Auditor John McCuskey*
Brad Mankins

A quorum was present.

Present at the CPRB Office were:

Jeffrey Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director
Kim Pauley, Executive Assistant(*via Google Meet*)
Elizabeth Cooper, CPRB Chief Financial Officer
Tina Baker, CPRB Internal Auditor
Paula Van Horn, CPRB TDC Manager
Alysia Miller, CPRB Paralegal
Timothy Abraham, CPRB

Item #1: Approval of the Accounting & Audit Committee Meeting Minutes.

Mr. Barker made a motion to approve the minutes of the October 3, 2023 meeting of the Accounting & Audit Committee. Mr. Vallet seconded the motion. The motion was adopted.

Item #2: 2023 Annual Comprehensive Financial Report (ACFR) – Elizabeth Cooper

Mr. McKown recognized Elizabeth Cooper, CPRB Chief Financial Officer, to review the 2023 Annual Comprehensive Financial Report (ACFR). Ms. Cooper reported that the ACFR was currently being reviewed by Eide Bailly, the Independent Certified Public Accountants. She informed the committee that the GFOA was submitted before the December 31, 2023 deadline. Ms. Cooper informed the Committee that no action is needed now but the Board approval is needed to release the ACFR once final comments and changes from Eide Bailly are received, subject to changes that are minor technical changes. She offered to answer questions.

Item #3: CY 2023 Internal Audit Compliance Review – Tina Baker

Mr. McKown recognized Tina Baker to review the CY 2023 Internal Audit Compliance Review. Ms. Baker stated that the objective of the audit was to determine compliance with recommendations she made in her CY2023 internal audit reports. She reported that the RMD report is back, and Deputy Director Miller is reviewing it with legal counsel. She offered to answer questions.

Item #4: CY 2024 Internal Audit Plan – Tina Baker

Mr. McKown recognized Tina Baker, CPRB Internal Auditor, to review the CY2024 Internal Audit Plan. She reviewed each of her planned audits and the timeframe for each. She informed the committee that this needs Board action.

Ms. Ranieri made a motion that the Committee adopt the CY2024 Internal Audit Plan and to recommend that the Board adopt the plan. Mr. Barker seconded the motion. The motion was adopted.

Item #5: Service Purchase Interest Rate Verification-Tina Baker

Mr. McKown recognized Tina Baker, CPRB Internal Auditor, to review the Service Purchase Interest Rate Verification. Ms. Baker explained the objective of the review is to determine whether interest rates for service purchases are being calculated correctly in the COMPASS system. Ms. Baker reviewed the scope and methodology for the committee and informed them that her summary of findings is in good standing. Ms. Baker offered to answer any questions.

Item #6: CY 2022 Internal Audit Compliance Review-Tina Baker

Mr. McKown recognized Tina Baker, CPRB Internal Auditor, to give her report on the CY 2022 Internal Audit Compliance Review. Ms. Baker explained the objective of this review was to determine compliance with recommendations made in CY2022 internal audit reports. She reviewed the scope and methodology for the committee and gave her recommendations and the level of compliance for each finding. Ms. Baker offered to answer any questions.

Item #7: Workstation Use and Information Security Policy and Procedure-Tim Abraham

Mr. McKown recognized Tim Abraham, CPRB Compliance Officer, to discuss the Annual Review of the CPRB Workstation Use and Information Security Policy. Mr. Abraham stated that the policy applies to all employees of the West Virginia Consolidated Public Retirement Board and it defines what the expected employee behavior is regarding the secure use of technology resources and methods of use, accessing and storing, and transmitting paper and electronic “Personally Identifiable Information” (PII) from CPRB employee workstations, offices, or other areas in which CPRB employees perform work; it defines the requirements for securing a workstation as well as the application of guidelines to all employees of the CPRB.

The policy also sets forth the CPRB’s goal for full compliance with the policies and procedures developed by the West Virginia State Privacy Office and the West Virginia Office of Technology regarding Accountability, Security Safeguards, and Information Security.

Mr. Abraham also reviewed the general procedures of the policy, the policy regarding the storage of PII data; passwords; email; social engineering; wireless access; disposal of PII; workstation and laptop security; using personal computers and/or devices; and CPRB’s guidelines for appropriate use. He offered to answer questions.

Item #8: Compliance Dashboard-Tim Abraham

Mr. McKown recognized Tim Abraham, CPRB Compliance Officer, to discuss the Compliance Dashboard. Mr. Abraham began by reviewing Compliance of CPRB -Administered Defined Benefit Plans with key sections of the Internal Revenue Code to maintain qualified tax deferred status. Mr. Abraham reviewed additional Dashboard topics and offered to answer questions. Director Fleck inquired about the annual compensation limits to Mr. Abraham and a discussion was heard. Director Fleck also mentioned to Mr. Abraham to review each plan to ensure all plans meet the definition of a governmental plan.

Item #9: TDC 3rd Quarter 2023 Admin and Revenue Sharing Account Report – Paula VanHorn

Mr. McKown recognized Paula VanHorn, CPRB TDC Manager, to give the TDC 3rd Quarter 2023 Administrative and Revenue Sharing Account Report. Ms. VanHorn reported that the Revenue Sharing and Administrative Account beginning balance was \$1,828,593.26 and the Net Administrative Fees were \$91,664.39. She added that the Total Gross Reallowances processed for the period were \$138,142.83. She concluded by saying that the Reconciled Ending Balance was \$1,679,410.82.

Item 12: Old Business

Mr. McKown inquired as to old business. There was none.

Item 11: New Business

Mr. McKown inquired as to new business. There was none.


Adjournment

There being no further business to come before the committee, Mr. McKown declared the meeting adjourned at 1:20 p.m.

Respectfully submitted,



Mike McKown, Vice Chair



Jeffrey E. Fleck, Executive Director