

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

Wednesday, December 4, 2019 | 8:30 a.m.

202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes Approved March 4, 2020

Board Members Present: Ms. Jennifer Blumenthal, Rocky Pearce, Chairman Steve Matthews, and Mr. Chuck Richardson

Others Present for All or a Portion of the Meeting: Bob Avery, Peggy Boykin, Ashley Brindle, Phyllis Buie, Amber Carter, Sarah Corbett, Joe Greene, Jessica Moak, James Manning, Mike McDermott, Heather Muller, Tammy Nichols, John Page, Stephen Van Camp, Angie Warren, Chuck Wilson, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Sharon Manaso from the South Carolina Department of Health and Human Services; Gordon Sherard from ASIFlex; and Thomas Rey from CliftonLarsonAllen.

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- July 24, 2019

Ms. Jennifer Blumenthal made a motion, which was seconded by Mr. Chuck Richardson, and passed unanimously, to approve the minutes from the July 24, 2019, Committee meeting.

III. Financial Statements Audit Review by the External Auditor

Chairman Matthews introduced Mr. Thomas Rey, CPA, from CliftonLarsonAllen, PEBA's External Auditor. Mr. Rey reviewed the Insurance Financial Statements and the South Carolina Retirement Systems (SCRS) Financial Statements, for the year ending June 30, 2019, as well as the Deferred Compensation Program Audit Reports for the year ending December 31, 2018. Mr. Rey reported that all three audit reports are unmodified "clean" opinions that the financial statements are presented fairly, in all material aspects, and in conformity with the U.S. Generally Accepted Accounting Principles (GAAP).

Mr. Rey also reviewed the net pension liability in accordance with GASB Statement No. 67 for the retirement trust funds as of June 30, 2019.

IV. Internal Audit Reports

Mr. John Page, Director of Internal Audit, provided the PEBA internal audit reports including:

- A. Internal Audit Report 2019- 2 Insurance MyBenefits Program
- B. Internal Audit Report 2019- 3 Retirement Service Purchase
- C. Memo to FAAC- Internal Audit Plan Status Report
- D. Memo to FAAC- Annual Conflict of Interest Certification

V. Old Business/Director's Report

Ms. Peggy Boykin, Executive Director, stated that PEBA's budget hearing with the Senate Finance Sub-committee was on December 3, 2019. Ms. Boykin noted that PEBA requested on behalf of the Board, that adult well visit benefits be provided to all members annually with no cost to the member and no age frequency restrictions.

VI. Adjournment

There being no further business, and upon motion by Ms. Blumenthal, which was seconded by Mr. Richardson, and approved unanimously, the Committee meeting adjourned at 9:00 a.m.