



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

Wednesday, December 2, 2020 | 9:30 a.m.

Via Zoom Conference

Minutes approved March 3, 2021

Board Members Present: Ms. Amanda Blankenship and Ms. Jennifer Blumenthal

Board Members Absent: Chairman Steve Matthews

Others Present for All or a Portion of the Meeting: Peggy Boykin, Robby Brown, Ashley Brindle, Phyllis Buie, Amber Carter, Sarah Corbett, Heather Muller, John Page, Laura Smoak, Rob Tester, Travis Turner, Stephen Van Camp, Angie Warren, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); and Thomas Rey from CliftonLarsonAllen.

I. Call to Order and Adjournment

Vice-chairman Jennifer Blumenthal called the PEBA Finance, Administration, Audit and Compliance (FAAC) Committee meeting to order at 9:30 a.m. noting that a quorum of the Committee was not present and therefore the Committee could take no action other than adjourning. The Committee meeting adjourned at 9:30 a.m.

NOTES: After the Committee adjourned, the Board members, PEBA staff, and interested parties present remained to hear presentations from PEBA's external and internal auditors. The Board members were not sitting as the FAAC Committee and no actions were proposed or taken on any of the matters presented.

Financial Statements Audit Review by the External Auditor

Vice-chairman Blumenthal 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, 2020, as well as the Deferred Compensation Program Audit Reports for the year ending December 31, 2019. Mr. Rey reported that all three audit reports are unmodified "clean" opinions, and 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, 2020.

Ms. Peggy Boykin, Executive Director noted that the financial statements were provided as information only; the financial statement have been received by the State Auditor's office, and have been submitted

to the South Carolina Comptroller General's Office to be incorporated into the statewide Comprehensive Annual Financial Report (CAFR).

Internal Audit Reports

Mr. John Page, Director of Internal Audit, presented an internal audit report about National Technical Information Service (NTIS) Compliance for the Social Security Death Master File, a memo about the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) Compliance Testing, the Annual Conflict of Interest Certification, and the latest Internal Audit Plan Update.

The meeting ended at 10:03 a.m.