

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
INTERNAL AUDIT COMMITTEE
MEETING OF JUNE 30, 2014**

A meeting of the West Virginia Consolidated Public Retirement Board (CPRB) Internal Audit Committee was held in the Legal Conference Room located at the offices of the CPRB, 4101 MacCorkle Avenue, SE, Charleston, West Virginia, and was called to order at 2:00 p.m. by Donna Lipscomb-Spano, Chairman.

Roll Call

Members present were:

Donna Lipscomb-Spano, *representing Cabinet Secretary Ross Taylor, Chairman*
Diana Stout, Esquire, *representing Treasurer John Perdue*
Dave Fletcher, *representing Auditor Glen Gainer*
Captain Michael Corsaro

No members were absent.

A quorum was present.

Due notice had been published.

Also, present were:

Jeffrey Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director
Candi Moore, CPRB Executive Assistant
Annamarie Short, CPRB Internal Auditor
Steve Stockton, CPRB Chief Compliance Officer
Heather Drake, CPRB Administrative Assistant

Item #1: Approval of the April 14, 2014 Meeting Minutes

Mr. Fletcher made a motion to approve the April 14, 2014 meeting minutes. The motion was seconded by Captain Corsaro. The motion carried unanimously.

Item # 2: West Virginia CPRB 2012 Metrics

Annamarie Short, CPRB Internal Auditor, reviewed with the Committee the Metrics Report for 2012. Ms. Short announced the purpose of this project was to assist the *COMPASS* project in evaluating our current rate of production based on current processes and an outdated computer system. Ms. Short reviewed that management had been interviewed and documentation of the basic retirement process was evaluated. Ms. Short then reviewed with the Committee the breakdown of estimates and retirements per Plan from the starting point when an application is received and the ending point in which is the date we mail a check to the new retiree. Ms. Short announced that membership data had also been evaluated and reviewed with the Committee on the numbers of new members, terminations, QDRO's and refunds for 2012.

Item #3: APPFA May 2014 Conference Report

Ms. Short reviewed with the Committee the APPFA Conference trip that she had attended. Ms. Short announced that the APPFA Conference focused purely on pension fund issues and audit techniques that she felt gave a lot of insight into what other audit shops are achieving and challenges that all pensions face. Ms. Short shared with the Committee that additional speakers presented employee fraud and interview techniques, GASB changes that affect our plans, and general public pension policy.

Item # 4: Update on Current Audits: Quality Assurance Checks

Ms. Short announced to the Committee that she has begun a series of Quality Assurance Checks; starting off with a complete retirement file review that includes an audit of total service and retirement calculations for the PERS Plan. Ms. Short shared with the Committee that she plans to review retirement files in all of the other Plans.

Item # 5: Old Business

Ms. Lipscomb-Spano asked the Committee if there was any old business to bring before the Committee. None was heard.

Item # 6: New Business

Ms. Lipscomb-Spano asked the Committee if there was any new business to bring before the Committee. None was heard.

Captain Corsaro made a motion to adjourn the public meeting of the CPRB Internal Audit Committee. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Ms. Lipscomb-Spano adjourned the June 30, 2014 CPRB Internal Audit Committee Meeting at 2:30 p.m.

Respectfully submitted,


Ross Taylor, Chairman


Jeffrey E. Fleck, Executive Director