

MINUTES OF THE
NEW MEXICO EDUCATIONAL RETIREMENT BOARD

AUDIT COMMITTEE

December 7, 2018

1. PROCEDURAL ITEMS

- a. Call to Order
- b. Roll Call

A meeting of the New Mexico Educational Retirement Board Audit Committee was called to order on this date at 10:45 a.m. in the Educational Retirement Board conference room, 8500 Menaul Boulevard, N.E., Albuquerque, New Mexico. A quorum was present.

Members Present:

Ms. Mary Lou Cameron, Chair
Mr. H. Russell Goff, Vice Chair
The Hon. Tim Eichenberg, New Mexico State Treasurer

Members Excused:

None.

Staff Present:

Ms. Jan Goodwin, Executive Director
Mr. Rick Scroggins, Deputy Director
Mr. Rod Ventura, Deputy Director
Ms. Susanne Roubidoux, General Counsel
Ms. Norma Henderson, CFO

Others Present:

Ms. Jessica Bundy, REDW
Ms. Caitlin Gutierrez, REDW
Ms. Charmaine Clair for Judith Beatty, Recorder

C. Approval of Agenda

Mr. Goff moved approval of the agenda, as published. Mr. Eichenberg seconded the motion, which passed unanimously.

b. Approval of Minutes of April 20, 2018

Mr. Eichenberg moved for approval of the minutes of April 20, 2018, as presented. Mr. Goff seconded the motion, which passed unanimously.

c. Introduction of Guests

REDW representatives Jessica Bundy and Caitlin Gutierrez introduced themselves to the committee.

2. PRESENTATION AND DISCUSSION OF INTERNAL AUDITS: REDW

Ms. Bundy and Ms. Gutierrez presented the Investment Performance Reporting and Transactional Approval Internal Audit, followed by Internal Audit Observations.

Chairwoman Cameron thanked REDW for the thoroughness of this report, and staff for working with REDW so that the NMERB could have the best report possible.

3. CURRENT ACTIVITY UPDATE: NORMA HENDERSON, CFO

a. Status of FY18 CAFR, PAFR

Ms. Henderson said she was happy to report that the audit received an unmodified opinion.

Ms. Henderson said the CAFR was submitted timely to the Office of the State Auditor and Department of Finance and Administration for their review, and any comments or suggested revisions are pending. The DFA had no revisions to the report. Once it is released by the Office of the State Auditor, the ERB will post it on the website and will apply for the GFOA awards for both the CAFR and PAFR.

Ms. Henderson also noted that the PAFR is in draft form and cannot be disseminated until the CAFR is released.

b. GASB 68 Report

Ms. Henderson said the actuary reported today that the GASB 68 report would be ready next week, after which it will go to the financial auditors for their review. A concurring review of the report is also required before it can be submitted to the Office of the State Auditor, which will happen in January or February.

Ms. Henderson stated that the GASB 68 report is not due until June 15, but she is hoping for an early submission. The contract with CliftonLarsonAllen is up in April, so her goal is to

have the report completed and submitted before their contract ends. The ERB will have to go out for RFP this spring for a new financial auditor.

c. **Internal audit Services RFP**

Ms. Henderson said the contract with REDW expires in March. The goal is to go out for RFP this month, and it is being finalized for release. Responses will be due in January, and a new contract should be issued in February to avoid a lapse in coverage.

Ms. Goodwin acknowledged Ms. Henderson and her staff for their hard work on all of these projects.

Ms. Goodwin added that the audit report had no findings, which is very good news.

4. **ADJOURN**

The meeting was adjourned at 11:15 a.m.

Accepted by:



Mary Lou Cameron, Chair