

MINNESOTA TEACHERS RETIREMENT ASSOCIATION
Minutes of the TRA Audit Committee Meeting
June 15, 2021

Meeting held via WebEx Due to COVID-19

Call to Order

Joel Stencil (attending remotely via WebEx) called the meeting to order at 9:30 a.m. Committee members are participating remotely by telephone or video conference as permitted by Minnesota Statutes, section 13D.015. We will now take a roll call to establish that a quorum of Committee members are present.

Committee Members: all attending remotely via WebEx were Amy Jorgenson, Luke Olson, and Martha Lee Zins. Absent was Denise Anderson.

TRA Staff: all attending remotely via WebEx were David Anderson, Carol Diedrich, Ruth Krupa, Dominic Matern, Leslie Nagel, Tim Maurer, Sonja Parr, Jay Stoffel, and John Wicklund.

Roll call was taken.

2.a. Approval of the Minutes

The minutes from the March 9, 2021 meeting were sent to members prior to the meeting.

It was moved by Olson and seconded by Zins to approve the minutes from the March 9, 2021 meeting. A roll call vote was taken. The motion passed unanimously by the Committee. Denise Anderson was absent.

4.a. FY2022 Audit Plan

Nagel reviewed the FY2022 Audit Plan and answered questions from the committee members. Nagel also asked for questions, comments or suggestions from the committee for the audit plan.

It was moved by Stencil to approve the FY2022 Audit Plan and present the plan to the TRA Board of Trustees for their approval at their meeting on June 16, 2021. It was seconded by Jorgenson. A roll call vote was taken. The motion passed unanimously by the Committee.

4.b. FY2021 Annual Report

Nagel reviewed the FY2021 Annual Report, as of June 1, 2021. Nagel asked the committee for feedback on the FY2021 Annual Report.

4.c. Audits Issued since March 2021

- Member Benefits July 2020 for the period July 1, 2020 to July 31, 2020
The audit objectives were to determine whether:
 - Payments continuing to an Optional Joint Annuitant or beneficiary are accurately calculated and paid timely.
 - The annual increase is accurately calculated and paid only to eligible annuitants.
 - Member deaths (active, inactive, disabilitant, retiree) are reported accurately and timely.
 - Acceleration and/or life amounts are terminated timely upon expiration.
 - Benefit applications (retirement, disability, survivor) follow applicable guidance and are processed accurately, completely, and timely.
 - Benefit payments (retirement annuities, disability and death benefits) are processed accurately, completely, and timely.
 - Business system programming reflects current statute, policies, practices and procedures and is thoroughly tested and updated as needed.

No issues were identified.

- Member Benefit Payments for the month of January 2021
The audit objectives were to determine whether:
 - Benefit payments (retirement annuities, disability and death benefits) are processed accurately, completely, and timely.
 - Benefit applications (retirement, disability, survivor) follow applicable guidance and are processed accurately, completely, and timely.
 - Member deaths (active, inactive, disabilitant, retiree) are reported accurately and timely.
 - The annual increase is accurately calculated and paid only to eligible annuitants.
 - Payments are made only to eligible payees (members, Optional Joint Annuitants, beneficiaries, and/or survivors).
 - Business system programming reflects current statute, policies, practices and procedures and is thoroughly tested and updated as needed.

No issues were identified.

4.d. Educational Material

Nagel noted that the included in the packet are the Internal Controls Bulletins (Conflicts of Interest – Knowing Your Boundaries, Keep them Separated, and The Power of Positive Messaging).

Nagel noted that these Bulletins go out to state agencies on a monthly basis. We share these reports with our Management Team and encourage them to share them with their staff.

Public Comments

None

Adjourn

On a motion by Zins and seconded by Olson the meeting adjourned at 10:26 a.m. A roll call vote was taken. The motion passed unanimously by the Committee.