

DRAFT

MINUTES

June 20, 2013

Audit Committee
Employee Trust Funds Board
State of Wisconsin



Location:
State Revenue Building – Conference Room 244
2135 Rimrock Road, Madison, WI

COMMITTEE MEMBERS PRESENT:

William Ford, Chair
Jon Litscher, Vice Chair
Kimberly Hall, Secretary

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Bob Conlin, Secretary
Office of Internal Audit:
John Vincent, Director
Claudius Lebi, Auditor-Advanced
Helen Malzacher, Auditor-Advanced
Jackie Van Marter, Auditor-Advanced

OTHERS PRESENT:

Legislative Audit Bureau:
Brian Geib

Mr. Ford called the Audit Committee (Committee) to order at 8:12 a.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

MOTION: Ms. Hall moved to accept the minutes of the March 7, 2013, Committee meeting, as submitted by the Board Liaison. Mr. Ford seconded the motion, which passed without objection on a voice vote.

OPERATIONAL UPDATES

- 2011-2013 Audit Plan Status – Mr. Vincent presented the final status update of the 2011-2013 Audit Plan, of which 25 audits, projects and consulting activities were completed.

Board	Mtg Date	Item #
AUD	9.26.13	1

- 2013-2015 Audit Plan – Mr. Vincent presented the Audit Plan for 2013-2015, to include the process used to determine the risks identified and rated by the divisions and offices. Thirty-seven projects were identified for the Audit Plan. Mr. Vincent also highlighted that each internal auditor signed an *Internal Auditor Independence and Conflict of Interest* statement, which will be done each year. Responding to an update request from Ms. Hall, Mr. Vincent provided the status of the on-line employer self-assessment program. The program will be a combination of survey questions to employers and the Department of Employee Trust Funds' (ETF) analysis of payroll information uploaded from employers.
- Update of 2011 and 2012 Comprehensive Annual Financial Report – Mr. Conlin informed the Committee that publication of the 2011 Report would be during the summer of 2013 and a fall publication for the 2012 Report.

AUDIT REPORT – (2013-01) LUMP SUM PAYMENTS AUDIT

- Mr. Lebi presented an overview of the Lump Sum Payments Audit. The audit objective was to ensure the lump sum payments were accurate and made in compliance with the WRS statutory requirements. No findings resulted from this audit.
- Mr. Litscher inquired whether ETF counsels members who want to withdraw all of their funds from the WRS as a lump sum payment at the time of separation. Mr. Lebi advised that ETF staff does discuss the consequences if all funds are withdrawn. Mr. Conlin also said this topic would be included in a Educational Topics presentation during the Joint Meeting of the ETF, TR and WR boards.

ADJOURNMENT

MOTION: Ms. Hall moved to adjourn the meeting. Mr. Litscher seconded the motion, which passed without objection on a voice vote.

The Committee adjourned at 8:49 a.m.

Date Approved: _____

Signed: _____

Kimberly Hall, Secretary
Audit Committee