

NEW MEXICO

PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

AUDIT & BUDGET

COMMITTEE MEETING

December 10, 2019

1. This meeting of the Public Employees Retirement Board Audit & Budget Committee was called to order by Chair Dan Mayfield at approximately 10:00 a.m. on the above-cited date at the Senator Fabian Chavez, Jr. Board Room, PERA Building, 33 Plaza la Prensa, Santa Fe, New Mexico.
2. A quorum was established with the following members present:

Members Present:

Dan Mayfield, Chair
David Roybal
Loretta Naranjo Lopez

Member(s) Absent:

Tim Eichenberg
Jackie Kohlasch, Vice Chair

Other Member(s) Present:

Shirley Ragin
Lawrence Davis
John Melia
Steve Neel

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Dominic Garcia, Chief Investment Officer
Greg Trujillo, Deputy Director/Chief Information Officer
Renada Peery-Galon, Administrator Services Director
Trish Winter, Executive Assistant
Karyn Lujan, SmartSave Plan Manager
Anna Williams, Chief Financial Officer
Misty Schoeppner, Deputy General Counsel
Geraldine Garduño, Assistant General Counsel

Others Present:

Harvey Leiderman, Reed Smith
Jessica Bundy, REDW
Cait Gutierrez, REDW
Lenora Chavez, Retiree
Paul Cowie, Meketa Investment Group
Tom Toth, Wilshire
Joseph E. Montoya, Retired
Jake Salazar, Retired
Ernest Marquez, AES

2. APPROVAL OF AGENDA

Ms. Naranjo Lopez moved to approve the agenda. Mr. Roybal seconded and the motion passed without opposition.

3. APPROVAL OF CONSENT AGENDA

Ms. Naranjo Lopez moved to approve. Mr. Roybal seconded and the motion passed without opposition.

4. CURRENT BUSINESS

A. PERA Census Data Internal Audit Report

Jessica Bundy, REDW, said the audit was originally conducted in 2015 and PERA management has been cleaning up the data issues since; this was a re-audit. REDW testing was focused on analyzing any unusual items in the database. A sample of members was conducted to ensure supporting documentation matched the data. PERA staff worked on priority data that had an impact on the system and needed correction. New employee data was reviewed by looking at demographic information and making sure that all of the data agreed with the member application form, and was correctly input into the system. Changes to member account data was carefully reviewed to validate that it was done correctly. Employer payroll was sampled and tested. The final area of testing was the data cleansing by reviewing the generated reports, identifying any discrepancies and ensuring resolution of discrepancies. Ms. Bundy noted that data is consistently being uploaded each payroll, and controls need to be in place to ensure accuracy.

Ms. Bundy said there were no reportable observations, and it appears that management made significant progress in identifying missing and unusual information with member accounts and making necessary corrections.

Cait Gutierrez, REDW, reviewed the areas of the audit that went well, and she noted that payroll upload and hours reported under plan code were done well. Regarding the codes, Ms. Gutierrez said a that formal process for changes to a code should be developed and implemented.

Chair Mayfield congratulated PERA staff who worked on this audit.

In response to a question posed by Ms. Naranjo Lopez regarding an audit of job classification, Deputy Director Trujillo explained that for PERA purposes it is only the pension plan classification that is a concern.

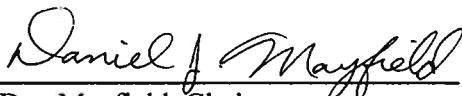
5. **OTHER BUSINESS**

None was presented.

6. **ADJOURNMENT**


Having completed the agenda, and upon motion and second, Chair Mayfield adjourned this meeting at approximately 10:15 a.m.

Approved by:



Dan Mayfield, Chair
Audit & Budget Committee

ATTEST:



Wayne Propst, Executive Director