

**Louisiana State Employees' Retirement System
Audit Committee Meeting
Thursday, December 14, 2017**

The Audit Committee of the Louisiana State Employees' Retirement System met on Thursday, December 14, 2017, in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Mr. Thomas Bickham, Chair of the Committee, called the meeting to order at 11:30 a.m. Roll was called by Ms. Caye Weaver, recording secretary.

Members Present: Mr. Thomas Bickham, Ms. Virginia Burton, Ms. Janice Lansing, Judge William Kleinpeter, Ms. Kathy Singleton

Members Absent: Ms. Beverly Hodges

Staff Present: Mr. Ryan Babin, Audit Director; Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director and Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Mr. Artie Fillastre, Chief Fiscal Officer; Ms. Caye Weaver, recording secretary

Also Present: Ms. Shannon Templet, Senator Barrow Peacock, Trustees and Ms. Margaret Corley, Attorney, Senate Retirement Committee

A quorum was present and the meeting opened for business.

Public Comment

Mr. Bickham called for public comment. No public comments were made.

Mr. Babin reviewed the Fiscal Year Ending 2018 Audit Projects Status Report.

Regular Business

Mr. Bickham called for approval of the minutes of the September 21, 2017 Audit Committee Meeting. **Judge Kleinpeter moved, seconded by Ms. Burton, to approve the minutes. With no objection or discussion, the motion passed.**

New Business

Mr. Babin reviewed the Employer Pension Audit Report (GASB 68) for FYE 2017, which was a clean opinion with no deficiencies or instances of non-compliance. He thanked the Fiscal staff for their contributions. **Judge Kleinpeter moved, seconded by Ms. Burton, to recommend the Board accept the Employer Pension Audit Report (FASB 68) for FYE 2017, as presented. With no objection or discussion, the motion carried.**

Mr. Babin presented the annual closed items report.

Mr. Babin reviewed the Audit Committee satisfaction survey results. Mr. Babin stated overall positive feedback.

Mr. Babin reported the quarterly customer service evaluation survey result from Department of Revenue consisted of all positive responses.

Mr. Babin reviewed the executive summary of audit reports. The report included summaries of the following projects:

- 1808 Louisiana Economic Development (LED) (External Review)
- 1809 Department of Transportation and Development (DOTD) (External Review)
- 1810 Funding Actuarial Files Review (FYE 2017)
- 1814 Component Unit Financial Report and Funding Actuarial Valuation Report Review
- 1817 Audit Charter and Policy Compliance Review

Mr. Babin stated there is a new internal audit standard which requires the Audit Director to attest annually the organizational independence of the Audit Division and report this to the Audit Committee. Therefore, he read the following statement to the committee: According to the audit director, he reports to a level within the organization that allows the internal audit activity to fulfill its responsibilities. Furthermore, he confirms to the audit committee that the internal audit activity continues to maintain its organizational independence.

Audit Director Comments

Mr. Babin had no additional comments.

Executive Director Comments

Ms. Rougeou stated that LASERS is on the leading edge in auditing our actuary. She asked Ryan to place an actuary audit, focusing on the actuarial data, on the project plan which has recently been completed and he is comfortable with what was found. Furthermore, she stated that John Garrett with Cavanaugh Macdonald Consulting was asked to review LASERS actuarial assumptions and he found them to be reasonable. This was provided to reassure the Board and PRSAC that the assumptions are reasonable.

Other Business

No other business was discussed.

Adjournment

The meeting adjourned at 11:50 a.m.