

Ohio Police & Fire Pension Fund

MINUTES

**Administration / Audit Committee
140 East Town Street, Columbus, Ohio 43215
December 6, 2022**

Committee Chair Deal called the meeting to Order at 2:19 p.m.

Committee Members/Trustees: Czack, Deal, Drum, Miller, Moore

Staff: Danish, Foley, Graham, Hampton, Harville, Holodnak, Jordan, Miller, O'Brien, Rankin, Sparks, Trakas, Vest-Boratyn.

Others Present: Jeff Bernard – ORSC

MOTION TO EXCUSE TRUSTEE

Mr. Miller moved and Ms. Czack seconded a motion to excuse Mr. Britt, Mr. Corvi, Mr. Heller and Ms. Maloney Stiffler from today's meeting. The motion passed with the roll call vote as follows:

Ayes: Czack, Deal, Drum, Miller, Moore

Nays: None

ITEM A: Approval of Minutes – 2022 12 001 AAC: Mr. Drum moved and Mr. Miller seconded a motion that the committee approves the June 28th, 2022 Administration and Audit Committee Minutes. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal, Drum, Miller, Moore

Nays: None

ITEM B: Five-year Review of Administrative Rules - 2022 12 002 AAC: Mr. Danish present that as part of the 5-year rule review requirement under Ohio Revised Code Chapter 119, staff has reviewed the following Administrative Rules:

- 742-4-07/Accrual of member contributions (DROP)
- 742-4-08/COLA effective date for DROP participants
- 742-4-13/Impact of military leave (DROP)
- 742-5-11/Definition of concurrent service
- 742-9-18/Overpayment of contributions by employer
- 742-20-01/Recovery of overpaid funds
- 742-21-01/Form of division of property orders

For Rule 742-5-11, Staff proposed amendments for consistency with statutory language and to update a cross reference. No further changes were proposed to the Rules since they reflect OP&F's current course of practice.

Mr. Deal moved and Mr. Drum seconded that the Administration and Audit Committee approve the Administrative Rules as outlined in staff's memorandum dated December 6, 2022, and authorize the required filing of the Rules with the proper agencies. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal, Drum, Miller, Moore

Nays: None

ITEM C: Review and Approval of the 2023 Audit Plan – 2022 12 003 AAC: Ms. Sparks presented s the 2023 Annual Audit Plan for the Ohio Police & Fire Pension Fund (OP&F). The audit plan was developed after considering OP&F's strategic goals and performance measures, policy and regulatory requirements, input from

Ohio Police & Fire Pension Fund

MINUTES

Administration / Audit Committee 140 East Town Street, Columbus, Ohio 43215 December 6, 2022

senior management, staff, and my own assessment of challenges and risks facing OP&F. The goal of the audit plan is to facilitate a robust process of continuous improvement in both processes and internal controls.

The plan defines specific areas to be reviewed during 2023. The plan is a dynamic document that may change based on new information or emerging risk coming to my attention (agile approach). Changes in audit resources, operations or requests from management may require modifications to the plan. The Committee will be informed of significant modifications to the Plan. The audit plan is designed to provide coverage for key business processes, given the existing internal audit staff member of one. I believe the areas identified for review will result in the best return on the audit resource investment.

Mr. Deal moved and Ms. Czack seconded a motion to approve the 2023 Annual Audit Plan. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal, Drum, Miller, Moore

Nays: None

ITEM D: Board Governance Policy Manual – 2022 12 004 AAC: Ms. Sparks presented The Board Governance Policy Manual for review and approval. Proposed minor changes included:

- Changed committees to the whole Board
- Made adjustments for title changes (Ex. Administration Assistant to Board Clerk)
- Changed approval of Policy Manual to annually by December
- Clerical updates

Mr. Deal moved and Mr. Drum seconded a motion to approve the Board Governance Policy Manual as presented. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal, Drum, Miller, Moore

Nays: None

ITEM E: Internal Audit Status Update: Ms. Sparks presented the Summary of Internal Audit Activity report for the Period Ending November 30, 2022 for the Administration/Audit Committee's review. The intent of this document is to inform the Committee of the various projects in process and/or completed by Internal Audit.

ITEM F: OP&F Communications Plan – 2022 12 005 AAC: Mr. Graham presented the 2023 OP&F Communications Plan. The Communications Plan outlines the initiatives OP&F has in place to communicate significant information, decisions, policies and accomplishments to a number of specific audiences – including active members, retirees, survivors, employers, state leadership, OP&F employees and the general public.

The plan its current form should satisfy the requirement called for in the ORC 742.102(E) to “improve the dissemination of public information pertaining to the Board of Trustees.”

Mr. Deal moved and Mr. Drum seconded that the Board adopt the 2023 OP&F Communications Plan in the form presented on Dec. 6, 2022. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal, Drum, Miller, Moore

Nays: None

Ohio Police & Fire Pension Fund

MINUTES

Administration / Audit Committee
140 East Town Street, Columbus, Ohio 43215
December 6, 2022

ITEM G: 2023 Administration and Audit Committee Schedule: Staff provided the 2023 Administration and Audit Committee Schedule to the committee.

ITEM H: Pending and Pre-Approval of Trustee Travel: None.

ITEM I: Open Discussion: None.

Mr. Deal adjourned the meeting at 2:49 p.m.



Mr. John Deal
Administration/Audit Committee Chair

Committee Materials Provided/Attached:

1. Motion to approve the AAC June 28th, 2022 Meeting Minutes.
2. AAC June 28th, 2022 Meeting Minutes.
3. Memo from John Danish regarding the Five-year review of Administrative Rules.
4. Copies of the Administrative Rules.
5. Memo from Caren Sparks regarding the 2023 Annual Audit Plan.
6. 2023 Internal Audit Plan.
7. Memo from Caren Sparks regarding the Board Governance Policy Manual.
8. Marked copy of the Board Governance Policy Manual dated December 2022.
9. Clean copy of the Board Governance Policy Manual dated December 2022.
10. Memo from Caren Sparks regarding the Internal Audit Status Update.
11. Summary of Internal Audit Activity report for the Period Ending November 30th, 2022.
12. Memo from David Graham regarding the OP&F 2023 Communications Plan.
13. OP&F 2023 Communications Plan.
14. 2023 Administration and Audit Committee Schedule.