



**MINUTES OF THE AUDIT AND GOVERNANCE COMMITTEE  
OF THE PLANS MANAGEMENT BOARD  
February 8, 2022**

A meeting of the Audit and Governance Committee (the “Committee”) of the Plans Management Board (the “Board”) was held on February 8, 2022, at 10:00 a.m. at the Office of the State Treasurer – Carvel State Building, 820 N. French Street, Wilmington, DE. Committee members and members of the public were able to participate using the provided dial-in information.

Committee Members Represented or in Attendance:

Mr. Peter Kennedy, Committee Chair  
Mr. John Macedo  
Mr. Dan Madrid (on behalf of The Honorable Colleen C. Davis, State Treasurer)  
Mr. Tim Snyder

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice  
Mr. John Meyer, Director of Contributions and Plan Management, Office of the State Treasurer (“OST”)  
Mr. Daniel Kimmel, Promotion and Outreach Program Manager, OST  
Mr. Michael Green, Investment and Program Manager, OST  
Mrs. Deborah Bradl, Executive Assistant, Contributions and Plan Management, OST  
Mr. Jordan Seemans, Director of Policy and Communications, OST  
Mr. Earle Allen, CAPTRUST

**CALLED TO ORDER**

The meeting was called to order at 10:00 a.m.

**APPROVAL OF MINUTES**

**A MOTION was made by Mr. Macedo and seconded by Mr. Kennedy to approve minutes from the Committee meeting on November 2, 2021.**

**MOTION ADOPTED UNANIMOUSLY**

**ACTION ITEMS**

*Discussion and Vote on Recommendation Regarding 2022 Committee Goals*

Mr. Meyer discussed the Committee accomplishments from the past year and discussed goals for 2022.

Mr. Kennedy asked about the timeline for the audit presentations and whether it will remain the same. Mr. Meyer stated that the timeframe for conducting the audits and presenting findings at the August 2022 meeting will be consistent with prior years and has been discussed with the new audit firm.

**A MOTION was made by Mr. Kennedy and seconded by Mr. Macedo to recommend the 2022 Committee goals (as proposed) to the Board for approval.**  
**MOTION ADOPTED UNANIMOUSLY**

*Discussion and Vote on Recommendation Regarding 2022 Education Schedule*

Mr. Meyer reviewed the 2022 education schedule with the Committee. In 2021 the Board participated in Code of Conduct, FOIA and Public Records Law training. Training recordings will be posted for viewing by Board and Committee members. Fiduciary training is recommended for September 2022.

**A MOTION was made by Mr. Kennedy and seconded by Mr. Macedo to recommend the 2022 Education Schedule (as proposed).**  
**MOTION ADOPTED UNANIMOUSLY**

*Update and Discussion Regarding 2020 Plan Year Audit Findings For the 403(b) Plan*

Mr. Meyer updated the Committee regarding the ongoing monitoring of the 2020 plan year audit findings. OST continues to focus on researching participants with uncashed checks. OST encouraged Security Benefit to use best efforts to provide complete and accurate account records for 2021 and thereafter to facilitate preparation of financial statements for the plan audits. OST also discussed the material weakness involving Security Benefit and the need for complete records in performing the 2021 audits with the new audit firm. Mr. Meyer also noted that the 2020 audit report and financial statements from the National ABLE Alliance are available for review.

Mr. Kennedy questioned whether OST has the ability internally to check the accuracy of the data from Security Benefit. Mr. Meyer stated that OST does have the list of participant accounts that Security Benefit did not include in prior audit packages. Mr. Meyer stated OST can work with the new audit firm to validate the accuracy of Security Benefit's audit package reports.

*Update Regarding MOUs with the Office of Auditor of Accounts ("AOA")*

Mr. Meyer updated the Committee regarding the MOUs with the AOA. Previously the Board had approved the Committee's recommendation to adhere to the agreed-upon rate under the old MOU and reject the proposed Maximus rate for the new MOU, 16.71 percent. OST will reach out to AOA for further fiduciary justification of the Maximus rate and report back to the Committee.

*Discussion and Vote on Recommendation Regarding Legislation Concerning Auditor Selection*

Mr. Meyer updated the Committee on the preliminary research OST has conducted in conjunction with the National Association of Government Defined Contribution Administrators. A questionnaire was circulated to peers in different states and responses indicated that most oversight bodies contract directly with external auditor firms for plan audits. OST plans to conduct further due diligence on this issue and will report back to the Committee at the second quarter meeting.

**PUBLIC COMMENT**

No member of the public was present for comment.

**Executive Session**

No Executive Session was held.

**NEXT MEETING**

The next meeting of the Committee is scheduled for May 10, 2022.  
The next meeting of the Board is scheduled for March 1, 2022.

**ADJOURNMENT**

**A MOTION to adjourn the meeting was made by Mr. Macedo and seconded by Mr. Snyder.  
MOTION ADOPTED UNANIMOUSLY**

**Meeting adjourned at 10:49 a.m.**

Respectfully submitted,

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Pete Kennedy, Chair for the Audit and Governance Committee