



**MINUTES OF THE
TEXAS MUNICIPAL RETIREMENT SYSTEM**
Meeting of the Audit Committee of the Board of Trustees

June 9, 2021 – 1:00 p.m.

The Audit Committee (Committee) of the Board of Trustees (Board) of the Texas Municipal Retirement System (TMRS) convened for a meeting at 1:00 p.m. at TMRS Headquarters, located at 1200 North IH-35 in Austin, Texas, with the following Trustees present via Microsoft Teams: Bob Scott, Chair, and Johnny Huizar, Vice Chair.

Staff present included: David Wescoe, Executive Director; Christine Sweeney, Chief Legal Officer; Sandra Vice, Director of Administration; Andi Focht-Williams, Internal Audit Manager; Debbie Muñoz, Director of Member Services; Kris Lofton, Senior Computer Support Specialist; Karen Jackson, Executive Assistant

Mr. Scott called the meeting to order at 1:01 p.m.

1. Consider and Act on Adoption of Minutes from the March 17, 2021 Audit Committee Meeting.

The minutes were approved by Mr. Scott and Mr. Huizar as presented.

2. Receive and Act on An Audit of Benefit Overpayments Due to Unreported Deaths Report.

Ms. Focht-Williams discussed the processes used by Member Services analysts to identify Members who have died and to recoup benefit payments that were overpaid due to delays in TMRS receiving notice of death of Members. Staff is currently updating the overpayment process that was addressed in the Report.

Mr. Scott and Mr. Huizar asked questions about the timing of benefit payments and the success rate of collections that were answered by staff.

Mr. Scott and Mr. Huizar approved the distribution of the Report to the full Board.

3. Receive and Act on Status of Prior Audit Recommendations Report

Ms. Focht-Williams provided the results of her review of 18 prior audit recommendations that were scheduled to be implemented prior to April 30, 2021. Of the 18 recommendations, 14 were fully implemented. Ms. Focht-Williams will continue to follow-up on the four open recommendations that are anticipated to be completed by December 31, 2021.

Mr. Scott asked about the risk level of the open recommendations and Ms. Focht-Williams responded.

Mr. Scott and Mr. Huizar approved the distribution of the Report to the full Board.

4. Receive and Discuss 2020 and 2021 Internal Audit Budgets.

Ms. Focht-Williams presented a reconciliation of Internal Audit's 2020 budget and the changes made to the 2021 budget due to staffing changes in the Internal Audit department.

Mr. Scott asked about the amount budgeted for external audit services, and Ms. Focht-Williams explained the budget item.

5. Receive Status of 2021-2022 Audit Plan

Ms. Focht-Williams presented the Internal Audit engagements and activities in the *2021-2022 Audit Plan*. She reported that she completed two audits, has two audits in the reporting phase, and three audits that are not planned yet.

6. Call for Future Agenda Items

The Chair asked if there were any requests for future agenda items. There were none.

There being no further business, Mr. Scott adjourned the Committee meeting at 1:21 p.m.



David B. Wescoe
Executive Director



Bob Scott
Chair of Audit Committee