

Ohio Police & Fire Pension Fund

MINUTES

Administration / Audit Committee
140 East Town Street, Columbus, Ohio 43215
February 23, 2021

Committee Chair Britt called the meeting to Order 1:42 p.m.

Committee Members/Trustees:

Corvi, Czack, Deal, Drum, M. Miller, Moore and Britt

Staff: Foley, Gallagher, Harville, McElroy, S. Miller O'Brien, and Sparks

AGENDA ITEM 1:

Approval of Minutes: Mr. Britt moved and Mr. Deal seconded a motion that the committee approves the September 29, 2021, Administration and Audit minutes. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal and Britt

Nays: None

AGENDA ITEM 2:

2020 Annual Audit Report for the Ohio Retirement Study Council - 2021 02 001 AAC: Ms. Sparks, Chief Audit Executive/Ethics & Privacy Officer outlined the 2020 Administration and Audit Committee Annual Report that must be submitted to the Ohio Retirement Study Council (ORSC) as outlined in the Ohio Revised Code section 742.105. The intent of the report is to provide the required information regarding the activities of the Administration and Audit Committee for the year ending December 31, 2020.

Mr. Britt moved and Mr. Deal seconded a motion that the Administration and Audit Committee recommends that the Board approve the 2020 Annual Audit Report for the Ohio Retirement Study Council as presented at the February 23, 2021 Administration/Audit Committee meeting. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal and Britt

Nays: None

AGENDA ITEMS 3:

2021 Annual Audit Plan - 2021 02 002 AAC: Ms. Sparks, outlined the 2021 Annual Audit Plan for the Ohio Police & Fire Pension Fund (OP&F). The Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing (Standards)* requires the chief audit executive to establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals.

Mr. Britt moved and Mr. Deal seconded a motion that the Administration and Audit Committee recommends that the Board approve the 2021 Annual Audit Plan as presented at the February 23, 2021 Administration/Audit Committee meeting. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal and Britt

Nays: None

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AGENDA ITEMS 4:

Internal Audit Activity Charter - 2021 02 003 AAC: Ms. Sparks, explained that the Internal Audit Activity Charter is a formal document that defines the internal audit activity's purpose, authority, and responsibility. The charter establishes the internal audit activity's position within the organization, including the nature of the chief audit executives functional reporting relationship with the board; authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of audit activities. There were no changes made to the charter from the previous year.

Mr. Britt moved and Mr. Deal seconded a motion that the Administration and Audit Committee recommends that the Board approve the Internal Audit Charter as presented at the February 23, 2021 Administration and Audit Committee meeting. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal and Britt

Nays: None

AGENDA ITEM 5:

Risk Management Policy -2021 02 004 AAC: Ms. Sparks presented the Risk Management Policy for review and approval by the Board of Trustees. The policy sets the risk management objectives and requirements for the Ohio Police & Fire Pension Fund (OP&F) business units. The enterprise risk management framework is used to actively anticipate and manage risks, taking advantage of opportunities and containing potential hazards within its risk tolerance. The motion passed with a roll call vote as follows:

Mr. Britt moved and Mr. Deal seconded a motion that the Administration and Audit Committee recommends that the Board approve the Risk Management Policy as presented at the February 23, 2021 Administration and Audit Committee meeting. The motion passed with a roll call vote as follows:

Ayes: Czack, Deal and Britt

Nays: None

AGENDA ITEM 6:

Business and Technology Solutions Update:

Mr. Brian O'Brien, BTS Director updated the committee on the Business and Technology Solutions department improvement in team leadership, culture, technology and process redesign. The department's significant progress continues in the areas of staffing, project management and process improvements.

Mr. O'Brien explained the key elements of OP&F's organization are our people, our processes and our technology. These key elements will be the framework by which this Business and Technology Solutions update will be presented. People bring knowledge and skills. Process is the ability to manage and control our complex environment. Technology addresses the tools and techniques used to make our work efficient.

Key activity includes the following:

- COVID-19 Remote Accommodations
- Management Team Additions
- Processes
- Security Awareness and Training
- Technology
- New Pension Administration System -
- Upgrade of Financial Accounting System -
- Upgrade Network Edge Firewall Data Storage Expansion

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- Increase data storage capacity for system log and data retention
- Cloud Based Backup and Recovery System (Completed)

AGENDA ITEM 7:

Open Discussion: None.

Meeting Adjourn at 3:20 p.m.



Robert Britt, Chair
Administration/Audit Committee

Committee Materials Provided/Attached:

1. Administration/Audit Minutes September 29, 2020;
2. 2020 Annual Audit Report for the Ohio Retirement Study Council, memo , report and cover letter dated 2/23/21;
3. 2021 Annual Audit Plan and memo, dated 2/23/21;
4. Internal Audit Activity Charter and memo, dated 2/23/21;
5. Risk Management Policy and memo 2/23/21;
6. C Sparks' Internal Audit Status Update Report and memo, dated 022321; and
7. Business and Technology Solutions Update.