

**Minutes of the Audit, Risk and Compliance Committee Meeting**

**Tuesday, June 6, 2023, 11:47 a.m.**

*Board Room, 30 North 3<sup>rd</sup> St., Harrisburg, PA 17101*

*Also available via Microsoft Teams and Livestream Access*

**Attendees:**

**Audit, Risk and Compliance Committee Members and Designees:**

Susan Boyle, Designee for Representative Miller  
Christopher Craig, Designee for Treasurer Garrity  
Lloyd Ebright, Designee for Treasurer Garrity  
Mary Soderberg  
Jill Vecchio, Designee for Representative Miller  
Thomas Waters, Designee for Treasurer Garrity

**Other Board Members and Designees:**

Seamus Dubbs, Designee for Interim Acting Secretary Spicher  
Charles Erdman, Designee for Senator John DiSanto  
David Fillman, Board Chairman  
Greg Jordan  
Matt Lindsay, Designee for Senator Hughes  
Dan Ocko, Designee for Representative Frankel  
Eric Pistilli, Designee for Interim Acting Secretary Spicher  
Jeffrey Soderstedt, Designee for Interim Acting Secretary Spicher

**SERS Staff:**

Rose Agnew  
Katie Bates  
Kathleen Bernhard  
Rob Borski  
Joel Burgo  
Cynthia Collins  
Jo Ann Collins  
Brenda Cunard  
Tom Derr  
Randy Gilson  
Pam Hile  
Meredith Jones  
Dan Krautheim  
Karen Lynn  
N. Joseph Marcucci  
Jeffrey McCormick  
Ryan McCoy

Michael McGeoy  
Sara McSurdy  
Jeffrey Meyer  
Catherine Nolan  
James Nolan  
Jonathan Ryan  
Steven Skoff  
Matthew Soule  
Joe Torta  
Cara Trego  
William Truong  
Mark Walters

**Presenters:**

Eric Forkner, Partner, KPMG LLP  
Craig Swallow, Managing Director, KPMG LLP  
Lindsey Hoff, Senior Manager, KPMG LLP

**1. Call to Order**

Prior to the meeting starting, the committee members were informed that the meeting would be recorded. Christopher Craig, designee for Committee Chair Treasurer Garrity, called the meeting to order.

**2. Welcome and Roll Call**

Ms. Lynn took roll call stating a quorum was present.

**3. Approval of Minutes**

Mr. Craig presented the prior meeting minutes to the committee.

**Motion:**

By motion that was moved by Mr. Craig and approved unanimously by committee members, it was;

RESOLVED: That this committee approves the meeting minutes from the February 21, 2023, Audit, Risk and Compliance Committee meeting.

**4. Old Business – None****5. Special Presentations – None**

**6. New Business – Retirement of Internal Audit Director** – Mr. Craig asked Chairman Fillman to present Ms. Lynn a proclamation acknowledging her career with SERS and her June 30<sup>th</sup> retirement. Ms. Lynn thanked the Committee members for their support during her tenure as Internal Audit Director, and Mr. Craig commended the service she provided in her role and for her commitment to the agency.

**7. Executive Session**

At 12:03 p.m., the Committee then entered into executive session to review and discuss committee business which, if conducted in public, would violate a lawful privilege, or lead to the disclosure of information that is confidential or protected by law, or that is otherwise allowed under the Sunshine Act to be conducted in a closed meeting. The topics covered in executive session included:

- Results of 2022 Independent Audit Presented by KPMG
  - Independent Auditor's Required Communication to the Committee
  - The 2022 Financial Statements of the SERS Defined Benefit and Defined Contribution Plans, and
  - The 2022 Financial Statements of SERS Deferred Compensation Plan
- Chief Compliance Officer Update for Quarter Ending March 31, 2023
- Review of Due Diligence Performed on Board Approved Investments for the Period February 2023
- Chief Information Security Officer Update Including Cybersecurity

#### **8. Committee Meeting Resumes**

At 12:45 p.m., the committee meeting resumed in public session.

#### **Motion:**

By motion that was moved by Treasurer Garrity and approved unanimously by the committee members, it was;

RESOLVED: That the Audit, Risk and Compliance Committee recommend to the State Employees' Retirement Board to approve the audited 2022 Financial Statements with Required Supplementary Information with Independent Auditors' Report for Fiscal Years Ended December 31, 2022, and December 31, 2021 of the Commonwealth of Pennsylvania State Employees' Retirement System and State Employees' Defined Contribution Plan and the audited 2022 Financial Statements with Required Supplementary Information with Independent Auditors' Report for Fiscal Years Ended December 31, 2022, and December 31, 2021 of the Commonwealth of Pennsylvania Deferred Compensation Plan, as presented by our independent auditors, KPMG LLP.

#### **9. Committee Comments/Concerns/Questions – None**

#### **10. Motion to Adjourn**

By motion that was moved and approved unanimously by committee members, it was;

RESOLVED: That this meeting be adjourned at 12:48 p.m.

Respectfully submitted,



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Ryan P. McCoy  
Internal Audit Director