

***Fire & Police Pension Association  
Audit Committee Meeting Agenda***

November 16, 2018

9:00 a.m. Mountain Time

Via Conference Call

- 9:00 a.m. Call to Order.** *Tammy Hitchens, Chair*
- Approval of September 18, 2018 meeting minutes.**
- 9:05 a.m. 2019 Fraud Risk Assessment process.**  
*Presenter: Courtney Reikofski, BKD, LLP*
- 9:35 a.m. Determine 2019 Fraud Risk Assessment budget.**  
*Presenter: Dan Slack*
- 9:45 a.m. Eide Bailly request to change signing partners.**  
*Presenter: Sara Kurtz, Eide Bailly, LLP*
- 9:50 a.m. GASB 68 audit and payroll attestation update.**  
*Presenters: Sara Kurtz and Ahni Smith*
- 10:00 a.m. Adjourn**

**Tentative Agenda for Audit Committee Meeting May 30, 2019 at 7:30 a.m.**

- **Auditor Reports:**
  - **SSAE 18 SOC 1 Type II 2018 Audit.**
  - **Independent Auditor's presentation for the period ending December 31, 2018.**
    - **Financial Statement audit.**
    - **Independent Auditors' report.**
    - **Governance report.**
    - **Independent Auditors' report on Internal Controls.**
    - **Audit Committee discussion with Independent Auditor.**
  - **Update on GASB 68 Audit.**
- **Review of December 31, 2018 Comprehensive Annual Financial Report (CAFR).**
- **Internal Audit Reports**
  - **To Be Determined**
- **Audit Charter review.**
- **Evaluation of Eide Bailly, LLP.**

## **FIRE AND POLICE PENSION ASSOCIATION**

Minutes – Audit Committee Meeting

November 16, 2018

FPPA Office  
5290 DTC Parkway, Suite 100  
Greenwood Village, CO

Committee Members Present: Chair Tammy Hitchens, Pam Feely, and Nick Nuanes, via phone.

Staff Members Present: Dan Slack, Kim Collins, Kevin Lindahl, Ahni Smith, and Karen Moore.

Others Present: Courtney Reikofski, BKD, LLP, and Sara Kurtz, Eide Bailly, LLP, via phone.

*Notice of this meeting and a copy of the agenda were posted in the building lobby of the FPPA office and on the FPPA website at least twenty-four hours prior to the meeting.*

At 9:01 a.m., Chair Hitchens called the meeting to order.

Chair Hitchens made one change to the September 18, 2018 meeting minutes, to remove the duplicate “Mr.” before “Mr. Nuanes” (under IT assessments). Ms. Feely moved to approve the minutes of the September 18, 2018 meeting, as amended. Mr. Nuanes seconded the motion. The motion passed.

### 2019 Fraud Risk Assessment process

At 9:03 a.m., Ms. Reikofski presented the 2019 Fraud Risk Assessment process. Ms. Reikofski reviewed typical fraud risk assessments, data analytics for potential fraud detection, analysis options, and utilizing the COSO Fraud Risk Management Guide going forward.

Ms. Reikofski reviewed the fraud risk assessment audit proposal. Per the Committee’s request, BKD identified different audit procedures performed around fraud risk, other than those performed in previous fraud audits. Either of the proposed procedures could be performed under the current budget.

The Committee directed the auditors and staff to complete both of the following proposed procedures: the Benford’s analysis; and data analytics over the master file and transaction data sets. Performing both audit procedures could increase the cost up to \$8,000. The fraud risk audit will be presented at the May or September Committee meetings.

### Determine 2019 Fraud Risk Assessment budget

Due to the additional audit costs, staff will propose a change to the budget at the December Board meeting, increasing the budget for this audit to \$8,000.

### Eide Bailly request to change signing partners

At 9:29 a.m., Ms. Kurtz discussed Eide Bailly’s proposal to shift the lead engagement partner from Lealan Miller to Ms. Kurtz, with Mr. Miller serving as a technical and consulting partner. Staff did not have any

concerns with this change.

At 9:33 a.m., Ms. Feely moved to approve the change to the audit plan to include the Benford's analysis and the master data file. Mr. Nuanes seconded the motion. The motion passed.

At 9:33 a.m., Ms. Feely moved to approve Eide Bailly's request to change the lead engagement partner to Sara Kurtz with Mr. Miller serving as a technical and consulting partner. Mr. Nuanes seconded the motion. The motion passed.

#### *GASB 68 audit and payroll attestation update*

At 9:34 a.m., Ms. Kurtz provided an update on the 2017 GASB 68 audit of the Statewide Defined Benefit and Statewide Hybrid Plans.

Ms. Smith provided an update on the change to payroll attestations. Ms. Smith is notifying employers of the other option to complete the census testing with Eide Bailly.

Ms. Collins provided a tentative agenda for the May 2019 meeting.

#### *Adjournment*

At 9:40 a.m., Ms. Feely moved to adjourn the meeting. Mr. Nuanes seconded the motion. The motion passed.

Chair Hitchens declared the meeting adjourned.