

**STATE OF DELAWARE**  
**STATE BOARD OF PENSION TRUSTEES**  
**AND**  
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**BOARD OF PENSION TRUSTEES**  
**AUDIT COMMITTEE**  
**MEETING MINUTES OF MARCH 3, 2010**

Audit Committee Members Present

Suzanne Grant, Chair  
Joel Poorman  
Araya Debessay  
Mark Finrock  
Susan Herrmann

Audit Committee Members Not Present

Robert Allen  
Harold Smith

Others Present

David Craik, Pension Office  
Wade Sallings, Pension Office  
Jeffrey Hoover, Pension Office  
Cindy Collins, DAG

1. OPENING COMMENTS

The meeting of the Audit Committee of the Board of Pension Trustees was called to order by Suzanne Grant, chair at 10:00 a.m. Suzanne Grant introduced herself to the group. S. Grant acknowledged her appreciation that J. Poorman, who has stepped down as Chair of the Audit Committee, has “graciously” agreed to remain on the committee to assist with the transition.

2. APPROVAL OF THE MINUTES

The Audit Committee reviewed the public minutes of the September 18, 2009 meeting.

MOTION made by Joel Poorman and seconded by A. Debessay to approve the public minutes of the Audit Committee Meeting on September 18, 2009.

MOTION ADOPTED UNANIMOUSLY

The Audit Committee reviewed the executive minutes of the September 18, 2009 meeting.

MOTION made by A. Debessay and seconded by Susan Herrmann to approve the executive minutes of the Audit Committee Meeting on September 18, 2009.

MOTION ADOPTED UNANIMOUSLY

3. PENDING ITEMS (OLD BUSINESS)

No items to report.

4. DEPUTY ATTORNEY GENERAL REPORT

The State Auditor and the Board of Trustees approved a two year extension to the KPMG audit contract which will run through the Fiscal Year 2011 audit.

C. Collins stated that the Cycle C determination letter applications, which were filed in September of 2008, are being processed by the IRS and are in the final stages of review. Although DPERS has not been advised of a date when the IRS will issue the final determination letters. It is anticipated that DPERS should receive formal determination letters in the near future.

The Best Practices project with respect to documentation/financial controls and compliance is still in process.

C. Collins asked the Audit Committee member to become familiar with the Audit Committee book provided by GFOA. It provides some insight to the responsibilities of an audit committee and a resource for the Audit Committee as it considers best practices in the future.

5. REVIEW FY09 CAFR

W. Sallings reviewed the CAFR and mentioned the scope, size and increased level of detail contained in the CAFR. He also mentioned that this was realized during his first year as manager of the Pension Office Investment Section. W. Sallings stated no material changes were made to the CAFR from the September 18, 2009 audit committee meeting, although multiple revisions were required to fix minor details.

6. FUTURE 2010 AUDIT COMMITTEE DATES

A tentative schedule was discussed and the audit committee will attempt to meet once during the months of April, June, August, September and November 2010.

7. ADJOURNMENT

At 12:13 p.m. there being no further business,  
MOTION was made by S. Herrmann and  
seconded by M. Finfrock to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

Jeffrey Hoover  
Investment Financial Manager

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Suzanne Grant, Chairman  
BOPT Audit Committee

cc: Audit Committee Members  
Phil Reese  
David Craik  
Wade Sallings  
Cindy Collins