

Audit Committee  
Conference Call Meeting Minutes  
Thursday, August 22, 2013

**Attendance:** Kerry Roe, Chair; Jody Wainscott, Board Chair; Tony Perazzo, BKD; Roni Luckenbill, CEO; Linda Odenbeck, Finance Director; Kathy Kearns, Human Resources; Stacy Barney, Accounting Manager

**Note taker:** Cheryl Drinnen, Assistant to the CEO

**403(b) Thrift Plan Audit:** Tony Perazzo provided an overview of the management letter and audit that were distributed to the committee prior to the call. The only concern he had was that we need to be more deliberate about documenting, in writing, what we do on an annual or quarterly basis when carrying out the plan. He suggested that information be presented to the board or a committee of the board and then document in the minutes that the board (or committee) has reviewed the current menu of options (attach the presentation to the minutes) and believes that based on the presentation, it appears that the organization is giving employees an adequate menu of options (both conservative and aggressive funds).

Discussion followed and several suggestions were provided as best practices to document: statements are reviewed; employees have good and adequate investment options and ask questions such as are these the right funds, are there enough options, do the options have different risks; that Mutual of America provides reports on what the funds are doing; and that we have informed employees that Mutual is not a financial advisor and it is up to the employee to seek out their own advisor/planner. It was also noted that from time to time, we need to decide if Mutual is doing a good job and is the right fit for us. If there are any complaints from employees regarding Mutual, we document how it was handled.

Staff reported that Mutual of America does provide a presentation to the Investment Committee and a meeting will be held in October. Employees are provided a portfolio during benefits orientation that includes a perspective of the 30 options available and what the funds have done for the past three months, six months, five years and ten years. Daily information on current funds is also available on Mutual's website.

**Agreements:** A statement will be added to the new employee packet that Mutual is not a financial planner and to encourage them to seek advice from their own financial advisor. The presentations from Mutual to the Investment Committee, along with the minutes will be posted on the board website. We will look into conducting RFP's every three years.

**Attachments:** 403(b) Thrift Plan Audit (Attachment A) and management letter (Attachment B)