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# CITIZENS SUMMARY

## Findings in the audit of the Department of Conservation Employees' Benefit Plan

Personnel Costs	The Department of Conservation Employees' Benefit Plan (CEBP) does not allocate to the CEBP Trust Fund the proportionate share of personnel costs of Missouri Department of Conservation (MDC) employees who administer the CEBP. Salaries and benefits provided to MDC employees who administer the CEBP are paid from the Conservation Commission Fund. Because these personnel costs were not identified and allocated to the CEBP, these costs, which represent at least 11 percent of total administrative costs and 1 percent of total costs during the year ended December 31, 2019, were not covered by the CEBP.
Other Postemployment Benefits Liability	The CEBP has not evaluated its Other Postemployment Benefits (OPEB) liability amounts or considered prefunding the OPEB liability. In addition, the CEBP has not obtained experience studies and audits of actuarial valuations.
Contractor Performance Guarantees	The CEBP did not monitor performance guarantees of the Third Party Administrator. The CEBP did not require the TPA to timely submit the performance guarantee report and supporting audit for 2019.
Board Composition	The Board of Trustees does not consist of members representing varied and balanced interests. As of August 2020, all Board members were active MDC employees.
Conflict of Interest Policy	The Board of Trustees does not have a conflict of interest policy.
Electronic Communication Policy	The MDC's records management and retention policy, followed by the CEBP, does not comply with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri State Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



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**Recommendations in the audit of the Department of Conservation Employees' Benefit Plan**

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Personnel Costs	The Board of Trustees work with the Missouri Department of Conservation (MDC) to pay from the Conservation Employees' Benefit Plan (CEBP) Trust Fund the proportionate share of personnel costs of MDC employees performing administrative services for the CEBP.
Other Postemployment Benefits Liability	The Board of Trustees work with the Conservation Commission to evaluate the Other Postemployment Benefits (OPEB) liability and consider establishing policies and procedures to prefund the OPEB liability. Additionally, the Board should periodically obtain experience studies and audits of actuarial valuations of the OPEB liability and make changes to the actuarial assumptions if necessary.
Contractor Performance Guarantees	The Board of Trustees timely obtain and review annual reports and audits of Third Party Administrator (TPA) compliance with performance guarantees.
Board Composition	The Board of Trustees work with the Conservation Commission to ensure the Board consists of a varied and balanced representation of key stakeholders.
Conflict of Interest Policy	The Board of Trustees develop a conflict of interest policy.
Electronic Communication Policy	The Board of Trustees work with the MDC to update the records management and retention policy to comply with the Missouri Secretary of State Records Services Division electronic communications guidelines.