

ARKANSAS REGISTER

Transmittal Sheet

* Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State
Mark Martin
State Capitol, Suite 026
Little Rock, Arkansas 72201-1094
(501) 682-3527
www.sos.arkansas.gov



For Office Use Only:
Effective Date _____ Code Number _____

Name of Agency ARKANSAS TEACHER RETIREMENT SYSTEM

Department ADMINISTRATION

Contact GEORGE HOPKINS E-mail georgeh@artrs.gov Phone 501-682-1820

Statutory Authority for Promulgating Rules A.C.A. § 24-7-301

Rule Title: Audit Committee Charter (Rule 1-18)

Intended Effective Date (Check One)		Date
<input type="checkbox"/> Emergency (ACA 25-15-204)	Legal Notice Published	<u>5-2-12</u>
<input checked="" type="checkbox"/> 30 Days After Filing (ACA 25-15-204)	Final Date for Public Comment	<u>5-31-12</u>
<input type="checkbox"/> Other _____ (Must be more than 30 days after filing date.)	Reviewed by Legislatice Council	<u>7-13-12</u>
	Adopted by State Agency	<u>8-6-12</u>

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)
Tammy Porter tammyp@artrs.gov
Contact Person E-mail Address

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

George Hopkins
Signature

501-682-1820 georgeh@artrs.gov
Phone Number E-mail Address

Executive Director

Title

8-6-12
Date

BY 8-6-12 Date
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MARK MARTIN
SECRETARY OF STATE
STATE OF ARKANSAS

AUDIT COMMITTEE CHARTER

A.C.A. § 24-7-303

1. There shall be an Audit Committee composed of three members of the ATRS Board of Trustees appointed by the Board Chair and two at-large members from the public with extensive auditing experience approved by the Board. The at-large members must be independent and have no affiliation with the system.
2. The committee shall meet as needed on call by either the committee chair or the ATRS Internal Auditor. Actions taken by the committee shall be reported to the ATRS Board of Trustees.
3. The committee has authority to conduct or authorize investigations into any matters within its scope of responsibility and to seek any information it requires from employees, all of who are directed to cooperate with the committee's request. In the event the committee has difficulty obtaining the necessary information from an employee or employees, the committee may seek assistance from the Executive Director or the Board of Trustees as the circumstances dictate.
4. The committee may invite members of management, auditors, employees, or others to attend meetings and provide pertinent information as necessary.
5. The committee will assist the Board of Trustees in fulfilling the Board's oversight responsibility relating to:
 - A. The financial reporting processes
 - B. The system of internal controls
 - C. The internal audit process
 - D. The System's compliance with laws and regulatory requirements and ethics policies
6. Meeting agendas will be prepared and provided in advance to committee members , along with appropriate briefing material when practical.
7. The committee may act by majority consent of all the members of the committee.
8. Minutes of the meeting will be prepared and presented at the next scheduled Audit Committee meeting for review and approval.

MAINTENANCE
SECRETARY OF STATE
STATE OF ARKANSAS
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9. The committee will carry out the following responsibilities:

A. Financial Statements.

- i. Review with management and auditors the results of audits which have significant findings and recommendations, together with management's responses to findings and follow up on corrective actions.

B. Internal Control.

- i. Review the risk assessment to consider the effectiveness of the system's internal controls.
- ii. Review with management and auditors any significant findings and recommendations on internal controls over financial reporting, together with management's responses.

C. Internal Audit.

- i. Review with management and the Internal Auditor the charter, activities, staffing, and organizational structure of the internal audit function.
- ii. Review and approve the audit plan and all major changes to the plan.
- iii. Review Internal Audit's reports and follow up on findings and recommendations.

D. Compliance.

- i. Review the findings of any examinations by regulatory agencies, and any auditor observations.

E. Reporting Responsibilities.

- i. Regularly report to the Board of Trustees on the committee's activities and issues that arise with respect to the quality or integrity of the system's financial statement, compliance with legal or regulatory requirements, and the performance of the internal audit function.

F. Other Responsibilities.

- i. Perform other activities related to this charter or the audit functions as requested by the Board of Trustees.

- ii. Resolve any disagreements between management and the Internal Auditor regarding financial reporting.
 - iii. Review and assess the adequacy of the committee charter, and propose recommended changes as needed, and request Board of Trustees approval for recommended changes.
10. The committee may periodically evaluate itself and report the results to the Board of Trustees. The effective date for the start of any evaluation process and frequency of evaluations may be determined by the committee.

Adopted: December 3, 2007
Adopted by Board: April 2, 2012
Amended: May 2, 2012
Effective: September 4, 2012

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Teacher Retirement System

DIVISION Administration

PERSON COMPLETING THIS STATEMENT Laura Gilson

TELEPHONE NO. 501-682-1266 **FAX NO.** 501-682-6326 **EMAIL:** laurag@arttrs.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE ATRS Audit Committee Charter (Rule 1-18)

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No

2. Does this proposed, amended, or repealed rule affect small businesses? Yes No
If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____
Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____
Total _____

5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

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Secretary of State
Mark Martin
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For Office
Use Only:

Effective Date _____ Code Number _____

Name of Agency ARKANSAS TEACHER RETIREMENT SYSTEM

Department ADMINISTRATION

Contact GEORGE HOPKINS E-mail georgeh@artts.gov Phone 501-682-1820

Statutory Authority for Promulgating Rules A.C.A. § 24-7-301

Rule Title: Membership Rules (Rule 6-1)

Intended Effective Date
(Check One)

Emergency (ACA 25-15-204)

30 Days After Filing (ACA 25-15-204)

Other _____
(Must be more than 30 days after filing date.)

Legal Notice Published

Final Date for Public Comment

Reviewed by Legislative Council

Adopted by State Agency

Date

5-2-12

5-31-12

7-13-12

8-6-12

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Tammy Porter tammyp@artts.gov

Contact Person

E-mail Address

8-6-12
Date

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

George H
Signature

501-682-1820

Phone Number

georgeh@artts.gov

E-mail Address

Executive Director

Title

8-6-12
Date

BY _____
SECRETARY OF STATE
STATE OF ARKANSAS
FILED
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MEMBERSHIP RULES

A.C.A. § 24-7-501-502, A.C.A. § 24-7-202, A.C.A. § 24-7-406, as amended by Act 97 of 2007

RULES

1. Effective July 1, 2001, those employees whose nonteaching service began before July 1, 1989, and whose nonteaching service is covered or coverable by the Public Employees Retirement System may elect to be covered by the Arkansas Teacher Retirement System. The elections shall be made prior to May 31 on a form provided by System and shall be effective the following July 1 (Act 742 of 2001).
2. Employees who are eligible for membership in the Teacher Retirement System are ineligible for membership in another state retirement system while employed in a position covered by Teacher Retirement, excluding service in the Arkansas General Assembly [A.C.A. § 24-7-204(6)].
3. The ATRS Executive Director shall monitor, from time to time, employers that participate in the system to ensure that only employers that meet both the federal and state requirements for participation and continued participation remain employers in the system. If the Executive Director determines that an employer no longer meets the requirements for continued participation in the system, the Executive Director shall notify the Board of Trustees to allow appropriate review and action by the Board.

Amended: June 15, 2004
 April 26, 2007
 July 1, 2011 (Emergency)

Adopted: August 8, 2011

Effective: November 11, 2011

Adopted by Board: April 2, 2012

Amended: May 2, 2012

Effective: September 4, 2012

FILED
 PUBLIC REGISTER DIV.
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 MARION T. STUBBS
 SECRETARY OF STATE
 STATE OF ARKANSAS

BY _____

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Teacher Retirement System
DIVISION Administration
PERSON COMPLETING THIS STATEMENT Laura Gilson
TELEPHONE NO. 501-682-1266 **FAX NO.** 501-682-6326 **EMAIL:** laurag@artrs.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE ATRS Membership Rules (Rule 6-1)

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
2. Does this proposed, amended, or repealed rule affect small businesses? Yes No
If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

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Next Fiscal Year

\$ _____