

**Qualifications of Management Specialist
Tennessee Consolidated Retirement System
Fiscal Year Ended June 30, 2014**

This work was completed by the Division of State Audit as part of the audit of the financial statements of the Tennessee Consolidated Retirement System for the year ended June 30, 2014.

Purpose: To consider the following to evaluate the professional qualifications of management's specialist and determine if the specialist possesses the necessary skill or knowledge.

- a. The professional certification, license, or other recognition of the competence of management's specialist in his or her field.
- b. The reputation and standing of the specialist in the views of peers and others familiar with management's specialist's capability or performance.
- c. The specialist's experience in the type of work under consideration.

Source: Information regarding the specialist's qualifications was obtained from Justin Thacker, actuary employed by Bryan Pendleton, Swats and McAllister, LLC.

Conclusion: The qualifications of the specialists were obtained and reviewed. Also, the auditor reviewed information on the internet related to the Society of Actuaries, The American Academy of Actuaries, and the Conference of Consulting Actuaries. On the websites for these organizations the auditor searched for information on Justin C. Thacker, F.S.A., the actuary responsible for the firm's work with TCRS. According to those inquiries, Mr. Thacker was listed under each organization as a member. The information also stated that Mr. Thacker was employed as a consulting actuary whose primary area of practice is retirement systems. It also stated that his Society of Actuaries section is pensions. Auditors also obtained the most recent audit of the actuary's work for TCRS. This audit was performed by an independent peer actuarial firm and resulted in a conclusion that the valuation under audit had accurately represented the financial position of the retirement plan. Based on the testwork performed, it appears that the specialists possess the necessary skills and knowledge. No problems were noted.