

**APPROVED**

MINUTES OF THE SPECIAL MEETING OF THE AUDIT COMMITTEE OF THE  
BOARD OF RETIREMENT AND BOARD OF INVESTMENTS  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

8:00 A.M., WEDNESDAY, OCTOBER 21, 2020

*This meeting was conducted by teleconference pursuant to the Governor's Executive Order N-29-20. The public may attend the meeting at LACERA's offices.*

PRESENT: Gina V. Sanchez, Chair  
Keith Knox, Vice Chair  
Herman B. Santos, Secretary  
Vivian H. Gray  
David Green

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer  
Richard Bendall, Chief Audit Executive  
Steven P. Rice, Chief Counsel  
Leisha Collins, Principal Internal Auditor  
Christina Logan, Senior Internal Auditor  
Kathryn Ton, Senior Internal Auditor  
Gabriel Tafoya, Senior Internal Auditor  
Nathan Amick, Internal Auditor

STAFF, ADVISORS, PARTICIPANTS (Continued)

Summy Voong, Interim Assistant System Division Manager

Robert Schlotfelt, Interim Chief Information Security Officer

Rick Wentzel, Audit Committee Consultant

I. CALL TO ORDER

The meeting was called to order at 8:00 a.m., in the Board Room of Gateway Plaza.

II. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Special Audit Committee Meeting of August 19, 2020.

Mr. Green made a motion to approve the minutes with revisions of the Special Audit Committee meeting of August 19, 2020. The motion passed (roll call) with Messrs. Green, Knox, Santos, Ms. Gray and Ms. Sanchez voting yes.

III. PUBLIC COMMENT

Joseph Kelly provided written comments regarding agenda items II.A. and IV. A.

IV. NON-CONSENT ITEMS

A. Recommendation as submitted by Richard Bendall, Chief Audit Executive Kathryn Ton, Senior Internal Auditor and Nathan Amick, Internal Auditor: That the Committee review and discuss the Corporate Credit Card Audit and provide the following action(s):

#### IV. NON-CONSENT ITEMS (Continued)

1. Accept and file report;
2. Instruct staff to forward report to Boards or Committees;
3. Make recommendations to the Boards or Committees regarding actions as may be required based on audit findings; and/or
4. Provide further instruction to staff.  
(Memo dated October 5, 2020)

Mr. Santos made a motion, Mr. Green seconded, to accept and file the report and direct staff to conduct a Corporate Credit Card Audit next fiscal year.

- B. Recommendation as submitted by Richard Bendall, Chief Audit Executive and Christina Logan, Senior Internal Auditor: That the Committee review and discuss the Executive Summary: Plante Moran Service Organizational Controls Readiness Assessment and provide the following action(s):

1. Accept and file report;
2. Instruct staff to forward report to Boards or Committees;
3. Make recommendations to the Boards or Committees regarding actions as may be required based on audit findings; and/or
4. Provide further instruction to staff.  
(Memo dated September 21, 2020)

Without objection, the report was received and filed.

#### V. REPORTS

- A. Strengthening the Audit Committee  
Richard Bendall, Chief Audit Executive  
Leisha Collins, Principal Internal Auditor  
Christina Logan, Senior Internal Auditor  
(Memo dated October 9, 2020)

V. REPORTS (Continued)

Mr. Green made a motion, Mr. Knox seconded, to accept the staff's recommendation to elect two trustees from each Board to participate on the Audit Committee with the Board Chairs and Vice Chairs eligible for election as well as making the Tax Treasurer Collector a permanent member of the Audit Committee. The motion passed (roll call) with Messrs. Green, Knox, Santos, Ms. Gray and Ms. Sanchez voting yes.

The following items were received and filed.

- B. FYE 2021 Audit Plan Status Report  
Richard Bendall, Chief Audit Executive  
Leisha Collins, Principal Internal Auditor  
(Memo dated October 9, 2020)

Mr. Bendall and Mrs. Collins were present to answer questions from the

Committee.

- C. Recommendation Follow-Up for Sensitive Information Technology Areas  
Richard Bendall, Chief Audit Executive  
Gabriel Tafoya, Senior Internal Auditor  
Christina Logan, Senior Internal Auditor  
(Memo dated October 9, 2020)

Messrs. Bendall, Tafoya, Voong, and Ms. Logan were present to answer questions from the Committee.

- D. Recommendation Follow-Up Report  
Richard Bendall, Chief Audit Executive  
Gabriel Tafoya, Senior Internal Auditor  
(Memo dated October 9, 2020)

Messrs. Bendall and Tafoya were present to answer questions from the Committee.

V. REPORTS (Continued)

- E. Real Estate Manager Compliance Reviews  
Richard Bendall, Chief Audit Executive  
Leisha Collins, Principal Internal Auditor  
Kathryn Ton, Senior Internal Auditor  
(Memo dated October 9, 2020)  
(For Information Only)

Mr. Bendall and Mrs. Ton were present to answer questions from the Committee.

- F. LACERA External Financial Audit Update  
Richard Bendall, Chief Audit Executive  
Christina Logan, Senior Internal Auditor  
(Verbal Presentation)

Mr. Bendall and Ms. Logan were present to answer questions from the Committee.

- G. Staff Activity Report  
Richard Bendall, Chief Audit Executive  
(Verbal Presentation)

Messrs. Bendall and Kreimann were present to answer questions from the  
Committee.

VI. ITEMS FOR STAFF REVIEW

The Committee requested copies of the Real Estate Manager Review reports for  
Item V.E.

VII. GOOD OF THE ORDER

There was nothing to report during Good of the Order.

VIII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was  
adjourned at 9:54 a.m.