

APPROVED

MINUTES OF THE SPECIAL MEETING OF THE AUDIT COMMITTEE AND

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, MARCH 23, 2022

This meeting was conducted by teleconference pursuant to the Governor's Executive Order N-29-20.

PRESENT: Gina V. Sanchez, Chair

Joseph Kelly, Vice Chair

Patrick L. Jones, Secretary

Alan J. Bernstein

Keith Knox

Wayne Moore (Joined the meeting at 8:01 a.m.)

Herman B. Santos

MEMBERS AT LARGE

Les Robbins, Board of Retirement

Antonio Sanchez, Board of Retirement

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Luis A. Lugo, Deputy Chief Executive Officer

Laura Guglielmo, Assistant Executive Officer

STAFF, ADVISORS, PARTICIPANTS (Continued)

JJ Popowich, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Richard P. Bendall, Chief Audit Executive

Leisha E. Collins, Principal Internal Auditor

Christina Logan, Principal Internal Auditor

Nathan K. Amick, Senior Internal Auditor

George Lunde, Senior Internal Auditor

Kristina Sun, Senior Internal Auditor

Gabriel Tafoya, Senior Internal Auditor

Kathryn Ton, Senior Internal Auditor

Steve Goodson, Team Leader, The Institute of Internal Auditors

Robert H. Griffin, Audit Committee Consultant

I. CALL TO ORDER

The meeting was called to order virtually by Chair Sanchez at 8:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Audit Committee Meeting of February 17, 2022.

Mr. Santos made a motion, Mr. Knox seconded, to approve the minutes of the Regular Audit Committee meeting of February 17, 2022. The motion passed (roll call) with Messrs. Bernstein, Jones, Kelly, Knox, Moore, Santos and Ms. Sanchez voting yes.

III. PUBLIC COMMENT

There were no requests from the public to speak.

IV. CONSENT ITEMS

- A. That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Audit Committee consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of the Committee to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that the Committee shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and direct staff to comply with the agenda and public comment requirements of the statute. (Memo dated March 10, 2022)

Mr. Rice was present to answer questions from the Committee.

Mr. Kelly made a motion, Mr. Bernstein seconded, to approve staff's recommendations. The motion passed (roll call) with Messrs. Bernstein, Jones, Kelly, Knox, Moore, Santos and Ms. Sanchez voting yes.

V. NON-CONSENT ITEMS

- A. Recommendation as submitted by Richard P. Bendall, Chief Audit Executive: That the Audit Committee, review and discuss the Institute of Internal Auditors (IIA) Quality Services' (Quality Services) engagement report in accordance with the current Audit Committee Charter and take 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 March 16, 2022)

V. NON-CONSENT ITEMS (Continued)

Mr. Steve Goodson from The Institute of Internal Auditors Quality Services presented a brief presentation. Mr. Bendall and Ms. Logan answered questions from the Committee.

Mr. Kelly made a motion, Mr. Bernstein seconded, to accept and file the report with the following direction 1) the Committee will receive regular updates in the reporting section of the agenda until the recommendations are addressed 2) forward the report to both Boards along with a cover letter laying out the action plan and timeline. The motion passed (roll call) with Messrs. Bernstein, Jones, Kelly, Knox, Moore, Santos and Ms. Sanchez voting yes.

- B. Recommendation as submitted by Richard P. Bendall, Chief Audit Executive: That the Audit Committee approve the proposed Internal Audit Fiscal Year (FY) 2022-2023 salaries and employee benefits (S&EB) Budget Request, and upon approval, direct staff to include it in LACERA's Administrative Budget for Board approval. (Memo dated March 16, 2022)

Mr. Bendall and Ms. Guglielmo were present and answered questions from the Committee.

Mr. Kelly made a motion, Mr. Santos seconded, to approve staff's recommendation with a clarification that certain expenses may change based on Board action. The motion passed (roll call) with Messrs. Bernstein, Jones, Kelly, Knox, Moore, Santos and Ms. Sanchez voting yes.

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VI. GOOD OF THE ORDER

The Committee thanked staff for their work. Mr. Griffin and Mr. Bendall provided brief comments to the Committee on the EQA Report.

VII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 8:44 a.m.