


**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
RISK & AUDIT COMMITTEE**

MINUTES OF MEETING

December 10, 2012



The Risk & Audit Committee met on December 10, 2012, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 4:43 p.m. and the following members were present:

JJ Jelincic, Chair
Priya Mathur, Vice Chair
Michael Bilbrey
Terry McGuire for John Chiang
George Diehr
Rob Feckner
Henry Jones

Other Board Member(s):

Robert Biegler for Bill Lockyer
Bill Slaton

AGENDA ITEM 2 – EXECUTIVE REPORT

Cheryl Eason, Chief Financial Officer, presented the oral report to the Committee as an information item.

AGENDA ITEM 3 – ACTION CONSENT ITEMS

Ms. Eason presented the Action Consent Items to the Committee for approval.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items.

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

The Committee accepted the Information Consent Items as presented.

AGENDA ITEM 5 – COMPREHENSIVE ANNUAL FINANCIAL REPORT: FINANCIAL SECTION

Dave G. Cornejo, Assistant Division Chief, Fiscal Services Division, presented the Financial Section of the Comprehensive Annual Financial Report to the Committee as an action item.

On **MOTION** by Priya Mathur, **SECONDED** and **CARRIED**, the Committee accepted and recommended that the Board approve, as amended, the draft Comprehensive Annual Financial Report 2011-12 Financial Section for the fiscal year ended June 30, 2012.

AGENDA ITEM 6a – EXTERNAL AUDITOR’S REPORT: AUDITED FINANCIAL STATEMENTS

Margaret Junker, Chief Auditor, Office of Audit Services, presented the External Auditor’s Report on the Draft Basic Financial Statements to the Committee as an action item.

On **MOTION** by Priya Mathur, **SECONDED** and **CARRIED**, the Committee accepted and recommended that the Board approve the External Auditor’s Report on the Draft Basic Financial Statements for the year ended June 30, 2012, and accompanying required communications, and approve the letter of transmittal.

AGENDA ITEM 6b – AUDIT RESOLUTION POLICY REVISION

Ms. Junker presented the Audit Resolution Policy Revision as an action item.

On **MOTION** by George Diehr, **SECONDED** and **CARRIED**, the Committee accepted and recommended that the Board approve the revised Audit Resolution Policy that was previously approved by the Board of Administration in March 2011.

AGENDA ITEM 7a- GOVERNANCE RISK AND COMPLIANCE REPORT

Kathleen Webb, Chief Officer of Risk, Compliance and Ethics, presented the report to the Committee as an information item.

AGENDA ITEM 7b- RISK EXPOSURE REPORTS

Larry Jensen, Risk Officer, presented the report to the Committee as an information item.

AGENDA ITEM 8 – PUBLIC COMMENT

There was no public comment.

The meeting of the Risk & Audit Committee was adjourned at 5:42 p.m.

The next Risk & Audit Committee meeting is scheduled for March 19, 2013, in Sacramento, California.

Date: _____

CHERYL EASON
CHIEF FINANCIAL OFFICER