

MINUTES OF MEETING

November 15, 2016



The Risk & Audit Committee met on November 15, 2016, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 6:34 p.m. and the following members were present:

Ron Lind, Chair Dana Hollinger, Vice Chair JJ Jelincic Priya Mathur Theresa Taylor Alan Lofaso for Betty Yee

Other Board Member(s):

Michael Bilbrey Eric Lawyer for John Chiang

AGENDA ITEM 2 - EXECUTIVE REPORT

Cheryl Eason, Chief Financial Officer, presented the oral report to the Committee as an Information Item.

AGENDA ITEM 3a – ACTION CONSENT ITEMS

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

On **MOTION** by Priya Mathur, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items.

AGENDA ITEM 4 – INFORMATION CONSENT ITEMS

The Committee accepted the Information Consent Item as presented.

The Chair directed that Agenda Item 5c be heard first.

AGENDA ITEM 5a – INDEPENDENT AUDITOR'S REPORT – FISCAL YEARS 2015-16

Beliz Chappuie, Chief Auditor, and Macias Gini & O'Connell presented the Independent Auditor's Report – Fiscal Years 2015-16.

On **MOTION** by Theresa Taylor, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Independent Auditor's Audit Report on the Basic Financial Statements and the accompanying required communications for the fiscal year ended June 30, 2016.

AGENDA ITEM 5b - REVIEW OF INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Ms. Chappuie and Macias Gini & O'Connell presented the Review of Independent Auditor's Management Letter.

On **MOTION** by Priya Mathur, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Management Letter as prepared by Macias Gini & O'Connell LLP for the fiscal year ended June 30, 2016.

AGENDA ITEM 5c - FINALIST INTERVIEWS FOR THE INDEPENDENT FINANCIAL STATEMENT AUDITOR

Roll call was taken.

Ms. Chappuie presented the process for the Finalist Interviews for the Independent Financial Statement Auditor.

On **MOTION** by Dana Hollinger, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Independent Financial Statement Auditor contract be awarded to Macias Gini & O'Connell LLP.

AGENDA ITEM 6a – THIRD PARTY VALUATION AND CERTIFICATION OF THE CONTRACTING PUBLIC AGENCY PLANS AS OF JUNE 30, 2014

Ms. Chappuie, and David Driscoll and Aaron Shapiro from Buck Consultants presented the Third Party Valuation and Certification of the Contracting Public Agency Plans as of June 30, 2014 as an Information Item.

AGENDA ITEM 7a - SEMI-ANNUAL ENTERPRISE RISK REPORTS

Forrest Grimes, Chief Risk Officer, presented the Semi-Annual Enterprise Risk Reports as an Information Item.

SUMMARY OF COMMITTEE DIRECTION

The chair directed staff to work with CalPERS Independent Financial Statement Auditor to reach out to the Governmental Accounting Standards Board (GASB) regarding the wording for private equity fee reporting.

AGENDA ITEM 9 – PUBLIC COMMENT

The meeting of the Risk and Audit Committee was adjourned at 9:07 p.m.

The next Risk and Audit Committee meeting is scheduled for February 14, 2017 in Sacramento, California.

Date:	
	MARLENE TIMBERLAKE D'ADAMO
	INTERIM CHIEF FINANCIAL OFFICER