

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

**MEETING MINUTES**

**June 20, 2018**

The Risk & Audit Committee met on June 20, 2018, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:30 a.m. and the following members were present:

Dana Hollinger, Chair  
Bill Slaton, Vice Chair  
Margaret Brown  
Steve Juarez for John Chiang  
Richard Costigan  
Priya Mathur  
Alan Lofaso for Betty Yee

Other Board Member(s):

Rob Feckner  
David Miller  
Ramon Rubalcava

**AGENDA ITEM 2 – APPROVAL OF THE JUNE 20, 2018 RISK & AUDIT COMMITTEE TIMED AGENDA**

On **MOTION** by Bill Slaton, **SECONDED** by Priya Mathur, and **CARRIED**, the Committee approved the June 20, 2018 Risk & Audit Committee Timed Agenda.

**AGENDA ITEM 3 – EXECUTIVE REPORT**

Marlene Timberlake D'Adamo, Chief Compliance Officer, presented the oral report to the Committee.

**AGENDA ITEM 4a – ACTION CONSENT AGENDA ITEMS**

Marlene Timberlake D'Adamo, Chief Compliance Officer, presented the Action Consent Item to the Committee for approval.

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

#### **AGENDA ITEM 5 – INFORMATION CONSENT AGENDA ITEMS**

The Committee accepted the Information Consent Items as presented.

#### **AGENDA ITEM 6a – 2018-19 ENTERPRISE COMPLIANCE PLAN**

Ms. Timberlake D'Adamo presented the 2018-19 Enterprise Compliance Plan for approval.

On **MOTION** by Bill Slaton, **SECONDED** by Priya Mathur and **CARRIED**, the Committee approved 2018-19 Enterprise Compliance Plan.

#### **AGENDA ITEM 6b – PROPOSED AMENDMENTS TO THE PERSONAL TRADING REGULATION (FIRST READING)**

Ms. Timberlake D'Adamo presented Proposed Amendments to the Personal Trading Regulation (First Reading) for approval.

On **MOTION** by Bill Slaton, **SECONDED** by Priya Mathur and **CARRIED**, the Committee approved the Proposed Amendments to the Personal Trading Regulation.

#### **AGENDA ITEM 7a – 2018-19 ENTERPRISE RISK MANAGEMENT PLAN**

Forrest Grimes, Chief Risk Officer, presented the 2018-19 Enterprise Risk Management Plan for approval.

On **MOTION** by Priya Mathur, **SECONDED** by Richard Costigan and **CARRIED**, the Committee approved the 2018-19 Enterprise Risk Management Plan.

#### **AGENDA ITEM 8a – 2018-19 OFFICE OF AUDIT SERVICES PLAN**

Beliz Chappuie, Chief Auditor, presented the 2018-19 Office of Audit Services Plan for approval.

On **MOTION** by Priya Mathur, **SECONDED** by Richard Costigan and **CARRIED**, the Committee approved the 2018-19 Office of Audit Services Plan.

#### **AGENDA ITEM 8b – INDEPENDENT AUDITOR'S 2018 ANNUAL PLAN**

Beliz Chappuie, Chief Auditor, Brock Romano, KPMG Lead Engagement Partner, and Lisa Avis, KPMG Managing Director, presented the Independent Auditor's 2018 Annual Plan for approval.

On **MOTION** by Priya Mathur, **SECONDED** by Richard Costigan and **CARRIED**, the Committee approved the Independent Auditor's 2018 Annual Plan.

**AGENDA ITEM 9a – ENTERPRISE RISK MANAGEMENT FRAMEWORK REVIEW**

Forrest Grimes, Chief Risk Officer, and Melissa Azevedo, Deputy Chief Risk Officer, presented the Enterprise Risk Management Framework Review as an Information Item.

**AGENDA ITEM 10 – SUMMARY OF COMMITTEE DIRECTION**

The Committee directed staff to:

- Work with the Committee Chair to review and perform additional training for the Committee on risk management and other compliance issues.
- Provide a cost benefit analysis of reviewing CalPERS' internal control over financial reporting.

**AGENDA ITEM 11 – PUBLIC COMMENT**

There was no public comment.

The meeting of the Risk and Audit Committee was adjourned at 10:07 a.m.

The next Risk & Audit Committee meeting is scheduled for September 25, 2018 in Sacramento, California.

Prepared by: Carrie Lewis  
Committee Secretary

Date: \_\_\_\_\_

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Marlene Timberlake D'Adamo  
Chief Compliance Officer