



Risk and Audit Committee Meeting Summary

November 18, 2020

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Risk and Audit Committee met on November 17, 2020.

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- **AGENDA ITEM 6a – Independent Auditor’s Report – Fiscal Years 2019-20**
Approve the CalPERS Board of Administration’s Independent Financial Statement Auditor’s Report and the accompanying required reports for the fiscal year ended June 30, 2020.
- **AGENDA ITEM 6b – Independent Auditor’s Management Letter**
Approve the CalPERS Board of Administration’s Independent Financial Statement Auditor’s Management Letter for the fiscal year ended June 30, 2020.
- **AGENDA ITEM 6c - Independent Financial Statement Auditor Selection**
The Risk and Audit Committee approve and recommend to the CalPERS Board of Administration 1) the finalist selected by the Subcommittee of the Risk and Audit Committee as CalPERS’ Independent Financial Statement Auditor and 2) Approve CalPERS to enter contract negotiations with the approved finalist; and if those negotiations are unsuccessful, approve CalPERS to enter contract negotiations with the next highest scoring finalist.
- **AGENDA ITEM 6d - RFP for Parallel Valuation and Certification Services**
Approve the release of an RFP seeking an external firm to provide parallel actuarial valuation and certification services to the Board of Administration on a quadrennial schedule. Approve the draft Services to be Provided, Minimum Qualifications, Proposal Evaluation Process, and Proposal Evaluation Sheet.

The Committee received reports on the following topics:

- Third Party Valuation and Certification of the 2019 Annual Valuations of the Judges’ Retirement System (JRS), Judges’ Retirement System II (JRSII), Legislators’ Retirement System (LRS), and the 1959 Survivor Benefit Program (1959 SBP), and
- The Enterprise Risk Management Framework Review

At this time, I would like to share some highlights of what to expect at the February Risk and Audit Committee meeting:

- The Election of the Risk & Audit Committee Chair and Vice Chair,
- The Review of the Risk & Audit Committee Delegation, and
- The Mid-Year Plans for Enterprise Compliance and Enterprise Risk Management

The next meeting of the Risk and Audit Committee is scheduled for February 2021, in Sacramento, California.