

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

**MEETING MINUTES**

**November 17, 2020**

The Risk & Audit Committee met via teleconference on November 17, 2020.

The meeting was called to order at 4:00 p.m. and the following members were present:

David Miller, Chair  
Lisa Middleton, Vice Chair  
Margaret Brown  
Frank Ruffino for Fiona Ma  
Jason Perez  
Shawnda Westly  
Lynn Paquin for Betty Yee

Other Board Member(s):

Rob Feckner  
Henry Jones  
Stacie Olivares  
Eraina Ortega  
Ramon Rubalcava

**AGENDA ITEM 2 – APPROVAL OF THE NOVEMBER 17, 2020 RISK & AUDIT COMMITTEE TIMED AGENDA**

On **MOTION** by Margaret Brown, **SECONDED** by Shawnda Westly, and **CARRIED**, the Committee approved the November 17, 2020 Risk & Audit Committee Timed Agenda.

| Name                       | Yes | No | Abstain |
|----------------------------|-----|----|---------|
| David Miller               |     |    | X       |
| Lisa Middleton             | X   |    |         |
| Margaret Brown             | X   |    |         |
| Frank Ruffino for Fiona Ma | X   |    |         |
| Jason Perez                | X   |    |         |
| Shawnda Westly             | X   |    |         |
| Lynn Paquin for Betty Yee  | X   |    |         |

### AGENDA ITEM 3 – EXECUTIVE REPORT

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

#### ACTION CONSENT AGENDA ITEMS

### AGENDA ITEM 4a – APPROVAL OF THE JUNE 17, 2020 RISK & AUDIT COMMITTEE MEETING MINUTES

On **MOTION** by Margaret Brown, **SECONDED** by Jason Perez, and **CARRIED**, the Committee approved the June 17, 2020 Risk & Audit Committee Meeting Minutes.

| Name                       | Yes | No | Abstain |
|----------------------------|-----|----|---------|
| David Miller               |     |    | X       |
| Lisa Middleton             | X   |    |         |
| Margaret Brown             | X   |    |         |
| Frank Ruffino for Fiona Ma | X   |    |         |
| Jason Perez                | X   |    |         |
| Shawnda Westly             | X   |    |         |
| Lynn Paquin for Betty Yee  | X   |    |         |

### AGENDA ITEM 5 – INFORMATION CONSENT AGENDA ITEMS

The Committee accepted the Information Consent Items as presented.

### AGENDA ITEM 6a – INDEPENDENT AUDITOR’S REPORT – FISCAL YEAR 2019-20

Beliz Chappuie, Chief Auditor, and BDO presented the Independent Auditor’s Report – Fiscal Year 2019-20.

On **MOTION** by Margaret Brown, **SECONDED** by Lisa Middleton, and **CARRIED**, the Committee approved the Independent Auditor’s Report – Fiscal Year 2019-20.

| Name                       | Yes | No | Abstain |
|----------------------------|-----|----|---------|
| David Miller               |     |    | X       |
| Lisa Middleton             | X   |    |         |
| Margaret Brown             | X   |    |         |
| Frank Ruffino for Fiona Ma | X   |    |         |
| Jason Perez                | X   |    |         |
| Shawnda Westly             | X   |    |         |
| Lynn Paquin for Betty Yee  | X   |    |         |

**AGENDA ITEM 6b – REVIEW OF INDEPENDENT AUDITOR’S MANAGEMENT LETTER**

Beliz Chappuie and BDO presented the Review of Independent Auditor’s Management Letter.

On **MOTION** by Margaret Brown, **SECONDED** by Lynn Paquin, and **CARRIED**, the Committee approved the Review of Independent Auditor’s Management Letter.

| Name                       | Yes | No | Abstain |
|----------------------------|-----|----|---------|
| David Miller               |     |    | X       |
| Lisa Middleton             | X   |    |         |
| Margaret Brown             | X   |    |         |
| Frank Ruffino for Fiona Ma | X   |    |         |
| Jason Perez                | X   |    |         |
| Shawnda Westly             | X   |    |         |
| Lynn Paquin for Betty Yee  | X   |    |         |

**AGENDA ITEM 6c – INDEPENDENT FINANCIAL STATEMENT AUDITOR SELECTION**

Michele Nix, Controller, presented the Independent Financial Statement Auditor Selection.

On **MOTION** by Lisa Middleton, **SECONDED** by Margaret Brown, and **CARRIED**, the Committee approved the Independent Financial Statement Auditor Selection.

| Name                       | Yes | No | Abstain |
|----------------------------|-----|----|---------|
| David Miller               |     |    | X       |
| Lisa Middleton             | X   |    |         |
| Margaret Brown             | X   |    |         |
| Frank Ruffino for Fiona Ma | X   |    |         |
| Jason Perez                | X   |    |         |
| Shawnda Westly             | X   |    |         |
| Lynn Paquin for Betty Yee  | X   |    |         |

**AGENDA ITEM 6d – RFP FOR PARALLEL VALUATION AND CERTIFICATION SERVICES**

Fritzie Archuleta, Deputy Chief Actuary-Special Programs, presented the RFP for Parallel Valuation and Certification Services.

On **MOTION** by Lisa Middleton, **SECONDED** by Frank Ruffino, and **CARRIED**, the Committee approved the RFP for Parallel Valuation and Certification Services.

| Name         | Yes | No | Abstain |
|--------------|-----|----|---------|
| David Miller |     |    | X       |

|                            |   |  |  |
|----------------------------|---|--|--|
| Lisa Middleton             | X |  |  |
| Margaret Brown             | X |  |  |
| Frank Ruffino for Fiona Ma | X |  |  |
| Jason Perez                | X |  |  |
| Shawnda Westly             | X |  |  |
| Lynn Paquin for Betty Yee  | X |  |  |

**AGENDA ITEM 7a – 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)**

Beliz Chappuie, Chief Audit, and Buck Consulting presented the Third Party Valuation and Certification of the 2019 Annual Valuations of the Judges’ Retirement Systems (JRS), Judges’ Retirement System II (JRSII), Legislators’ Retirement System (LRS), and the 1959 Survivor Benefit Program (1959 SBP) as an Information Item.

**AGENDA ITEM 7b – ENTERPRISE RISK MANAGEMENT FRAMEWORK REVIEW**

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

**AGENDA ITEM 7c – SUMMARY OF COMMITTEE DIRECTION**

There was no Committee direction.

**AGENDA ITEM 7b – PUBLIC COMMENT**

There was no public comment.

The meeting of the Risk & Audit Committee was adjourned at 5:12 p.m.

The next Risk & Audit Committee meeting is scheduled for February 16, 2021 in Sacramento, California.

Prepared by: Carrie Lewis  
Committee Secretary

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

\_\_\_\_\_  
Marlene Timberlake D’Adamo  
Chief Compliance Officer