

APPROVED

MINUTES OF THE REGULAR MEETING OF THE AUDIT COMMITTEE AND
BOARD OF RETIREMENT AND BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., THURSDAY, JUNE 20, 2024

This meeting was conducted by the Audit Committee and Board of Retirement and Board of Investments both in person and by teleconference under California Government Code Section 54953 (b)(f).

COMMITTEE TRUSTEES:

PRESENT: Debbie Martin (BOI), Chair
 Wayne Moore (BOR), Vice Chair
 Vivian Gray (BOR), Secretary
 Nancy Durazo (BOR), Trustee
 (Teleconference Due to Just Cause under Section 54953 (f))
 Jason Green (BOI), Trustee
 Nicole Mi (BOI), Trustee (Teleconference under 54953(b))

ABSENT: Elizabeth Ginsberg, Ex-Officio

STAFF, ADVISORS AND PARTICIPANTS

Laura Guglielmo, Assistant Executive Officer

JJ Popowich, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Jude Perez, Deputy Investment Officer

Ted Granger, Chief Financial Officer

STAFF, ADVISORS, PARTICIPANTS (Continued)

Carly Ntoya, Human Resources Director

Kathy Delino, Chief Information Technology Officer

Chaitanya Errande, Information Security Officer

Summy Voong, Information Technology Manager

Richard P. Bendall, Chief Audit Executive

Leisha E. Collins, Principal Internal Auditor

Nathan K. Amick, Senior Internal Auditor

Gabriel Tafoya, Senior Internal Auditor

George Lunde, Senior Internal Auditor

Rebecca Walker from Kaplan & Walker

Kristin Hunt, Plante Moran

Amanda Cronk, Plante Moran

Larry Jensen, Audit Committee Consultant

I. CALL TO ORDER

This meeting was called to order by Chair Martin at 9:00 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Chair Martin led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953 (f)

- A. Just Cause
- B. Action on Emergency Circumstance Requests
- C. Statement of Persons Present at Teleconference Locations

A physical quorum was not present at the noticed meeting location. There was one request received from Trustee Durazo to attend by teleconference for Just Cause (A) contagious illness. Trustee Durazo confirmed that there were no individuals 18 years or older present at the teleconference location. No requests were received for Emergency Circumstances (B).

IV. APPROVAL OF THE MINUTES

- A. Approval of the Minutes of the Regular Meeting of March 18, 2024

Due to a lack of a quorum, this item will be agendaized for the next Audit Committee meeting.

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. NON-CONSENT ITEMS

Due to a lack of a quorum, the following items will be agendaized for the next Audit Committee meeting.

- A. **2024 Audit, Compliance, Risk, Ethics (ACRE) Committee Charter Recommendation** as submitted by, Steven P. Rice, Chief Counsel, Richard P. Bendall, Chief Audit Executive, Christina Logan, Principal Internal Auditor, Allison E. Barrett, Senior Staff Counsel: That the Committee (1) review and approve the 2024 Audit Compliance, Risk, and Ethics (ACRE) Committee Charter, (2) and upon approval, recommend to the Board of Retirement and Board of Investments to approve and adopt the 2024 ACRE Committee Charter. (Presentation) (Memo dated June 5, 2024)

- B. **Updated Internal Audit Charter**

Recommendation as submitted by Christina Logan, Principal Internal Auditor: That the Committee approve the Internal Audit's Revised Charter (Memo dated May 17, 2024)

VI. NON-CONSENT ITEMS (Continued)

C. **Ethics and Compliance Program Charter**

Recommendation as submitted by Shawn R. Kehoe, Chair, on behalf of the Board of Retirement, and Patrick L. Jones, Chair, on behalf of the Board of Investments: That the Committee review and approve the proposed Ethics and Compliance Program Charter and recommend it to the Board of Retirement and Board of Investments (Boards) for final approval. (Memo dated June 4, 2024) (Supplemental Memo dated June 4, 2024)

D. **Approval Fiscal Year 2024 – 2025 Internal Audit Plan**

Recommendation as submitted by Richard P. Bendall, Chief Audit Executive: That the Committee review and approve the FYE 2025 Audit Plan (Presentation) (Memo dated June 6, 2024)

E. **LACERA's Rehired Retirees Program Audit Fiscal Year Ended June 30, 2023, and 2024**

Recommendation as submitted by George Lunde, Senior Internal Auditor: That the Committee review and discuss the following engagement report to take the following action(s):

1. Accept and file report;
2. Instruct staff to forward report to Boards or Committees;
3. Make recommendations to the Boards or Committees regarding actions as may be required based on audit findings; and/or
4. Provide further instruction to staff.
(Presentation) (Memo dated June 4, 2024)

VII. REPORTS

A. **Los Angeles County Employee Retirement Association Pre-Audit Communication**

Christina Logan, Principal Internal Auditor
Nathan K. Amick, Senior Internal Auditor
(Presentation) (Memo dated May 31, 2024)

Plante Moran consultants, Kristin Hunt and Amanda Cronk provided a presentation and answered questions from the Committee.

VII. REPORTS (Continued)

B. **Fiscal Year Ending 2024 Audit Plan Status Report**

Nathan K. Amick, Senior Internal Auditor
(Presentation) (Memo dated June 4, 2024)

Mr. Amick provided a brief presentation and answered questions from the Committee.

C. **Recommendation Follow-Up Report**

Nathan Amick, Senior Internal Auditor
(For Information Only) (Memo dated May 31, 2024)

This item was received and filed.

D. **Recommendation Follow-Up Sensitive Information Technology Areas**

Gabriel Tafoya, Senior Internal Auditor
(For Information Only) (Memo dated June 3, 2024)

This item was received and filed.

E. **Ethics Hotline Status Report**

Leisha E. Collins, Principal Internal Auditor
(For Information Only) (Memo dated June 3, 2024)

This item was received and filed.

F. **Internal Audit Staffing Activity Report**

Richard P. Bendall, Chief Audit Executive
(For Information Only) (Memo dated June 5, 2024)

This item was received and filed.

G. **Status of Other External Audits Not Conducted at the Discretion of Internal Audit**

Richard P. Bendall, Chief Audit Executive
(Verbal Update)

Mr. Bendall provided an update to the Committee.

VIII. CONSULTANT COMMENTS

Larry Jensen, Audit Committee Consultant
(Verbal Presentation)
(Supplemental memo dated June 17, 2024)

Mr. Jensen briefly addressed the Committee.

IX. ITEMS FOR STAFF REVIEW

There were no items to report.

X. ITEMS FOR FUTURE AGENDAS

Items IV.A and VI. A-E will be agendized for the next Audit Committee meeting.

XI. GOOD OF THE ORDER
(For Information Purposes Only)

There was nothing to report.

XII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 9:40 a.m.