

APPROVED

MINUTES OF THE REGULAR MEETING OF THE AUDIT, COMPLIANCE, RISK, AND ETHICS (ACRE) 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, APRIL 24, 2025

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 (f).

COMMITTEE TRUSTEES:

PRESENT: Debbie Martin (BOI), Chair
 Nicole Mi (BOI), Vice Chair
 Alma K. Martinez (BOI), Secretary (Joined the meeting at
 9:18 a.m.)
 Nancy Durazo (BOR), Trustee
 Jason Green (BOR), Trustee
 Wayne Moore (BOR), Trustee
 Elizabeth Ginsberg, Ex-Officio

STAFF, ADVISORS AND PARTICIPANTS:

Luis A. Lugo, Deputy Chief Executive Officer

Laura Guglielmo, Assistant Executive Officer

JJ Popowich, Assistant Executive Officer

Jonathan Grabel, Chief Investment Officer

Ted Granger, Chief Financial Officer

STAFF, ADVISORS AND PARTICIPANTS:

Steven P. Rice, Chief Counsel

Allison Barrett, Senior Staff Counsel

Carly Ntoya, Ph.D., Human Resources Director

Richard P. Bendall, Chief Audit Executive

Leisha E. Collins, Principal Internal Auditor

Christina Logan, Principal Internal Auditor

Nathan K. Amick, Senior Internal Auditor

Kristina Sun, Senior Internal Auditor

Gabriel Tafoya, Senior Internal Auditor

George Lunde, Senior Internal Auditor

Christian Velasco, Senior Internal Auditor

Delfino Aguilar, Senior Internal Auditor

Larry Jensen, ACRE 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

Trustee Green 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

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

(Trustee Martinez joined the meeting at 9:18 a.m.)

A physical quorum was present at the noticed meeting location. There was one request received from Trustee Martinez to attend by teleconference for Just Cause (B) Due to Contagious Illness. Trustee Martinez confirmed that there were no individuals 18 years of age or older present at the teleconference location.

IV. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting of March 13, 2025

Trustee Moore made a motion, Trustee Mi seconded, to approve the Minutes of the Regular meeting of March 13, 2025. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Green, Martin, Mi, Moore

Absent: Martinez

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. NON-CONSENT ITEMS

A. **Internal Audit's Roadmap for FYE 2026-2028**

Recommendation as submitted by Christina Logan, Principal Internal Auditor: That the ACRE Committee review and approve Internal Audit's Roadmap for FYE 2026-2028.

(Presentation) (Memo dated April 7, 2025)

(Trustee Martinez joined the meeting at 9:18 a.m.)

Ms. Logan provided a brief presentation. Ms. Logan and Mr. Bendall were present to answer questions from the Committee.

VI. NON-CONSENT ITEMS (Continued)

Trustee Green made a motion, Trustee Moore seconded, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Green, Martin, Martinez, Mi, Moore

B. **Request For Proposal - Financial Auditor**

Recommendation as submitted by Kristina Sun, Senior Internal Auditor: That the ACRE Committee approve the proposed minimum qualifications and search criteria for a Financial Auditor Request for Proposal (RFP) for five fiscal years (FY 2026 – FY 2030) with an option to extend for two additional one-year terms. (Presentation) (Memo dated April 7, 2025)

Ms. Sun provided a brief presentation. Ms. Sun and Mr. Bendall were present to answer questions from the Committee.

Trustee Green made a motion, Trustee Martinez seconded, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Green, Martin, Martinez, Mi, Moore

C. **Advisory Review of the Recruitment and Hiring Process**

Recommendation as submitted by Kristina Sun, Senior Internal Auditor: The ACRE Committee review and discuss the following engagement report to take the following action(s):

1. Accept and file,
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 the engagement, and/or
4. Provide further instruction to staff.
(Presentation) (Memo dated April 7, 2025)

Ms. Sun provided a brief presentation. Dr. Ntoya and Ms. Guglielmo were present to answer questions from the Committee.

VI. NON-CONSENT ITEMS (Continued)

Trustee Green made a motion, Trustee Moore seconded, to accept and file the report. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Green, Martin, Martinez, Mi, Moore

VII. REPORTS

- A. **LACERA Risk Management and Internal Audit Risk Assessment**
Richard P. Bendall, Chief Audit Executive
(Presentation) (Memo dated April 3, 2025)

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

This item was received and filed.

- B. **Fiscal Year Ending 2025 Audit Plan Status Report**
Nathan K. Amick, Senior Internal Auditor
(Presentation) (Memo dated April 7, 2025)

Mr. Amick provided a brief presentation. Messrs. Amick, Bendall were present to answer questions from the Committee.

This item was received and filed.

- C. **Ethics Hotline Status Report**
Leisha E. Collins, Principal Internal Auditor
(Presentation) (Memo dated April 9, 2025)

Ms. Collins provided a brief presentation and answered questions from the Committee.

This item was received and filed.

- D. **Ethics and Compliance Program Foundational Work Plan Status**
Steven P. Rice, Chief Counsel
Allison E. Barrett, Senior Staff Counsel
(For Information Only) (Memo dated April 3, 2025)

VII. REPORTS (Continued)

Ms. Barrett provided a brief presentation and answered questions from the Committee.

This item was received and filed.

E. **Recommendation Follow-Up Report**

Leisha E. Collins, Principal Internal Auditor

Gabriel Tafoya, Senior Internal Auditor

(For Information Only) (Memo dated April 9, 2025)

Mr. Tafoya provided a brief presentation. Ms. Collins, Ms. Guglielmo, Dr. Ntoya and Messrs. Bendall, Granger answered questions from the Committee.

This item was received and filed.

F. **Recommendation Follow-Up Report for Sensitive Information Technology Areas**

Garbiel Tafoya, Senior Internal Auditor

(For Information Only) (Memo dated April 4, 2025)

This item was received and filed.

G. **Internal Audit Staffing Activity Report Update**

Richard P. Bendall, Chief Audit Executive

(Verbal Update)

Messrs. Aguilar, Velasco introduced themselves to the ACRE Committee. Mr. Bendall was present to answer any questions from the Committee.

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

Richard P. Bendall, Chief Audit Executive

(Verbal Update)

VII. CONSULTANT COMMENTS

Larry Jensen, Audit Committee Consultant

(Verbal Presentation)

There was nothing to report.

VIII. ITEMS FOR STAFF REVIEW

There was nothing to report.

IX. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

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

There was nothing to report.

XI. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 11:54 a.m.

