

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, JUNE 26, 2025

This meeting was conducted by the Audit, Compliance, Risk, and Ethics (ACRE) 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 10:30 a.m.)

 Nancy Durazo (BOR), Trustee

 Jason Green (BOR), Trustee (Teleconference Due to Just Cause under Section 54953(f))

 Elizabeth Ginsberg, Ex-Officio

ABSENT: Wayne Moore (BOR), Trustee

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

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

Delfino Aguilar, Senior Internal Auditor

Nathan K. Amick, Senior Internal Auditor

George Lunde, Senior Internal Auditor

Kristina Sun, Senior Internal Auditor

Gabriel Tafoya, Senior Internal Auditor

Christian Velasco, Senior Internal Auditor

Alex Ochoa, Benefits Retirement Specialist III

Larry Jensen, ACRE Committee Consultant

Plante & Moran, LLP

Kristin Hunt, Engagement Partner

Amanda Cronk, Principal

Nossaman, LLC

Ashley Dunning, Partner

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 present at the noticed meeting location. There was one request received from Trustee Green to attend by teleconference for Just Cause (B) Due to Child Care. Trustee Green 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 April 24, 2025

Trustee Mi made a motion, Trustee Durazo seconded, to approve the Minutes of the Regular meeting of April 24, 2025. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Green, Martin, Mi

Absent: Martinez, Moore

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. NON-CONSENT ITEMS

- A. **Internal Audit Risk Assessment and Proposed Fiscal Year 2025-2026 Audit Plan**

Recommendation as submitted by Richard P. Bendall, Chief Audit Executive: That the ACRE Committee provide further input on and/or approve the Internal Audit Proposed Fiscal Year 2025-2026 Audit Plan. (Presentation) (Memo dated June 5, 2025)

Mr. Bendall provided a presentation. Messrs. Bendall and Jensen were present to answer questions from the Committee.

VI. NON-CONSENT ITEMS (Continued)

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

Yes: Durazo, Ginsberg, Green, Martin, Mi

Absent: Martinez, Moore

B. **Approval of Firms Selected for the Audit and Consulting Pool**

Recommendation as submitted by Leisha E. Collins, Principal Internal Auditor: That the ACRE Committee approves the selected firms for inclusion in the Internal Audit Division, Audit and Consulting Pool for a maximum five-year term. (Presentation) (Memo dated June 6, 2025)

Ms. Collins provided a brief presentation. Ms. Collins and Messrs. Bendall and Jensen were present to answer questions from the Committee.

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

Yes: Durazo, Ginsberg, Green, Martin, Mi

Absent: Martinez, Moore

VII. REPORTS

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

Nathan Amick, Senior Internal Auditor
(Presentation) (Memo dated June 5, 2025)

Mses. Hunt, Cronk of Plante Moran provided a brief presentation. Mr. Jensen was present and answered questions from the Committee.

This item was received and filed.

VII. REPORTS (Continued)

B. **Ethics and Compliance Program Foundational Work Plan – Status Report**

Steven P. Rice, Chief Counsel
Allison E. Barrett, Senior Staff Counsel
(Memo dated June 5, 2025)

Ms. Barrett was present and answered questions from the Committee.

This item was received and filed.

C. **Fiscal Year 2024 - 2025 Audit Plan Status Report**

Nathan K. Amick, Senior Internal Auditor
(For Information Only) (Memo dated June 5, 2025)

This item was received and filed.

D. **Recommendation Follow-Up Report**

Leisha E. Collins, Principal Internal Auditor
Gabriel Tafoya, Senior Internal Auditor
(For Information Only) (Memo dated May 30, 2025)

This item was received and filed.

E. **Recommendation Follow-Up for Sensitive Information Technology Areas**

Gabriel Tafoya, Senior Internal Auditor
(For Information Only) (Memo dated May 30, 2025)

This item was received and filed.

F. **Ethics Hotline Status Report**

Leisha Collins, Principal Internal Auditor
(For Information Only) (Memo dated June 6, 2025)

Mses. Collins, Guglielmo and Messrs. Bendall, Lugo, Amick and Jensen were present and answered questions from the Committee.

This item was received and filed.

VII. REPORTS (Continued)

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

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

Mr. Bendall introduced Alex Ochoa, Internal Audit's new hire.

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

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

Mr. Bendall was present to answer questions from the Committee.

VIII. CONSULTANT COMMENTS

Larry Jensen, ACRE Committee Consultant
(Verbal Presentation)

There was nothing to report.

IX. ITEMS FOR STAFF REVIEW

Chair Martin requested staff to present the BOR Strategic Plan at a future ACRE Committee meeting.

X. ITEMS FOR FUTURE AGENDAS

Chair Martin requested staff to provide the Risk Assessment Survey to the ACRE Committee. In addition, Trustee Mi requested staff present the Ethics Hotline process at a future ACRE Meeting.

XI. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

XII. EXECUTIVE SESSION (Ms. Martinez joined the meeting at 10:30 a.m.)

A. Conference Legal Counsel - Existing Litigation
(Pursuant to Paragraph (1) of Subdivision (d) of California
Government Code Section 54956.9)

1. *LACERA v. Marquez*
Los Angeles Superior Court, Case No. 25NNCV03240
(Memo dated June 9, 2025)

There was nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 11:10 a.m.

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