

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, NOVEMBER 20, 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
 Nancy Durazo (BOR), Trustee
 Jason Green (BOR), Trustee
 Wayne Moore (BOR), Trustee, (Teleconference Due to Just
 Cause under Section 54953(f))
 Elizabeth Ginsberg, Ex-Officio

ABSENT: Alma K. Martinez, (BOI), Secretary

STAFF, ADVISORS AND PARTICIPANTS:

Luis A. Lugo, Acting Chief Executive Officer

Laura Guglielmo, Assistant Executive Officer

JJ Popowich, Assistant Executive Officer

STAFF, ADVISORS AND PARTICIPANTS:

Steven P. Rice, Chief Counsel

Allison Barrett, Senior Staff Counsel

Jessica Rivas, Staff Counsel

Carly Ntoya, Ph.D., Human Resources Director

Armand Castillon, Human Resources Analyst

Ted Granger, Chief Financial Officer

Cassandra Smith, Director of Retiree Healthcare

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

Kristina Sun, Senior Internal Auditor

Gabriel Tafoya, Senior Internal Auditor

Christian Velasco, Senior Internal Auditor

Alex Ochoa, Internal Auditor

Larry Jensen, ACRE Committee Consultant

Plante and Moran

Kristin Hunt, Partner

Brandon Henry, Manager

Baker Tilly

Priya Kumar, Senior Manager

Rita Boyle, Senior Manager

STAFF, ADVISORS AND PARTICIPANTS: (Continued)

Weaver

Reema Parapilly, Partner

Trip Hillman, Partner

I. CALL TO ORDER

This meeting was called to order by Chair Martin at 9:01 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 Moore to attend by teleconference for Just Cause (B) Due to Contagious Illness. Trustee Moore 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 August 21, 2025

Trustee Green made a motion, Trustee Ginsberg seconded, to approve the Minutes of the Regular meeting of August 21, 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. **Provider Premium Calculations and Payments Audit**

Recommendation as submitted by Delfino Aguilar, Senior Internal Auditor and Gabriel Tafoya, Senior Internal Auditor: That 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 November 3, 2025)

Messrs. Aguilar and Tafoya provided a presentation. Messrs. Bendall, Popowich and Ms. Smith were present to answer questions from the Committee.

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

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

Absent: Martinez

B. **CEO Corporate Credit Cards – Fiscal Year End June 30, 2025**

Recommendation as submitted by Leisha E. Collins, Principal Internal Auditor and Alex Ochoa, Internal Auditor: That the ACRE Committee review and discuss the following engagement report to take the following action(s).

1. Accept and file,
3. 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

VI. NON-CONSENT ITEMS (Continued)

4. Provide further instruction to staff.

(Presentation) (Memo dated September 11, 2025)

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

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

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

Absent: Martinez

C. **Fiscal Year 2025 – 2026 Audit Plan Amendment**

Recommendation as submitted by Richard P. Bendall, Chief Audit Executive: That the ACRE Committee review and approve amendments to Internal Audit's Fiscal Year Ending (FYE) 2026 Audit Plan. (Memo dated November 3, 2025)

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

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

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

Absent: Martinez

VII. REPORTS

A. **Plante Moran Financial Audit Reports**

Nathan K. Amick, Senior Internal Auditor

(Presentation) (Memo dated October 30, 2025)

Ms. Hunt and Mr. Henry provided a presentation. Messrs. Amick, Bendall, Granger and Jensen were present to answer questions from the Committee.

This item was received and filed.

VII. REPORTS (Continued)

B. **2023 – 2028 Quarterly Strategic Plan Update**

Luis A. Lugo, Acting Chief Executive Officer
(Presentation) (Memo dated September 29, 2025)

Mr. Lugo provided a presentation and answered questions from the Committee.

This item was received and filed.

C. **Updating LACERA's Code of Ethical Conduct**

Steven P. Rice, Chief Counsel
Allison E. Barrett, Senior Staff Counsel
Jessica Rivas, Staff Counsel
(Presentation) (Memo dated November 5, 2025)

Ms. Rivas provided a presentation. Ms. Barrett and Mr. Jensen were present to answer questions from the Committee.

This item was received and filed.

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

Steven P. Rice, Chief Counsel
Allison E. Barrett, Senior Staff Counsel
(Presentation) (Memo dated October 24, 2025)

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

This item was received and filed.

E. **2025 Culture Survey Results and Insights**

Christina Logan, Principal Internal Auditor
Armand Castillon, Human Resources Analyst
(Presentation) (Memo dated November 3, 2025)

Ms. Logan and Mr. Castillon provided a presentation. Messrs. Lugo and Jensen were present to answered questions from the Committee.

This item was received and filed.

VII. REPORTS (Continued)

F. **Internal Audit's Roadmap, Annual Goals, and Key Performance Measures**

Christina Logan, Principal Internal Auditor
(For Information Only) (Memo dated October 30, 2025)

This item was received and filed.

G. **Fiscal Year 2025 – 2026 Audit Plan Status Report**

Nathan K. Amick, Senior Internal Auditor
(For Information Only) (Memo dated November 3, 2025)

This item was received and filed.

H. **Recommendation Follow-Up Report**

Leisha E. Collins, Principal Internal Auditor
Gabriel Tafoya, Senior Internal Auditor
(For Information Only) (Memo dated October 31, 2025)

This item was received and filed.

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

Gabriel Tafoya, Senior Internal Auditor
(For Information Only) (Memo dated October 31, 2025)

This item was received and filed.

J. **Ethics Hotline Status Report**

Leisha E. Collins, Principal Internal Auditor
(For Information Only) (Memo dated November 3, 2025)

This item was received and filed.

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

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

There was nothing to report.

VII. REPORTS (Continued)

L. **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 and answered questions from the Committee.

VIII. CONSULTANT COMMENTS

Larry Jensen, ACRE Committee Consultant
(Verbal Presentation)

There was nothing to report.

IX. ITEMS FOR STAFF REVIEW

There was nothing to report.

X. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

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

There was nothing to report.

XI. EXECUTIVE SESSION

- A. Potential Threats to Public Services or Facilities (Pursuant to Subdivision (a) of California Government Code Section 54957(a)) Consultation with: Priya V. Kumar, Senior Manager and Rita Boyle from Baker Tilly, Luis A. Lugo, Acting Chief Executive Officer, Richard P. Bendall, Chief Audit Executive, Christina Logan, Principal Internal Auditor, Kathy Delino, Chief Information Technology, Chaitanya Errande, Information Security Officer and other LACERA Staff.

There was nothing to report.

XI. EXECUTIVE SESSION (Continued)

- B. Potential Threats to Public Services or Facilities (Pursuant to Subdivision (a) of California Government Code Section 54957(a))

Consultation with: Reema Parappilly, Partner and Trip Hillman, Partner from Weaver, Luis A. Lugo, Acting Chief Executive Officer, Richard P. Bendall, Chief Audit Executive, Christina Logan, Principal Internal Auditor, Kathy Delino, Chief Information Technology, Chaitanya Errande, Information Security Officer and other LACERA Staff.

There was nothing to report.

- C. Performance Evaluation – Chief Audit Executive Goals Report (Pursuant to Government Code Section 54957(b)(1))
(FOR AUDIT COMMITTEE ONLY PER COUNTY SALARY ORDINANCE 6.127.040.S.1)

There was nothing to report.

XII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 1:12 p.m.