

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
BOARD OF RETIREMENT  
2223 WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CA 92701

AUDIT COMMITTEE MEETING  
December 14, 2017

MINUTES

The Chair called the meeting to order at 1:41 p.m. and read the opening statement for the record. Attendance was as follows:

Present: Charles Packard, Chair; Frank Eley, Vice Chair; Eric Gilbert; Shari Freidenrich

Staff: Steve Delaney, CEO; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Gina Ratto, Chief Legal Officer; Cynthia Hockless, Director of Administrative Services; Jenny Sadoski, Director of Information Technology; Jon Gossard, Security Operations Manager; Mark Adviento, Internal Auditor; Sonal Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician

OPEN SESSION

**A. AUDIT OF OCERS' TRAVEL EXPENSE REPORTS**

*Presentation by Mark Adviento, Internal Auditor*

Mark Adviento, Internal Auditor, presented the Audit of OCERS' Travel Expense Reports.

The Committee discussed travel expense scenarios relevant to the audit recommendations.

Following discussion, a motion was made by Mr. Gilbert, seconded by Mr. Eley, to receive and file.

The motion passed unanimously.

**B. HOTLINE UPDATE**

*Presentation by Mark Adviento, Internal Auditor*

Mark Adviento, Internal Auditor, informed the committee that there were no ethics violations to report of since the last update to the committee.

Following discussion, a motion was made by Mr. Gilbert, seconded by Mr. Eley, to receive and file.

**C. STATUS OF 2017 INTERNAL AUDIT PLAN**

*Presentation by Mark Adviento, Internal Auditor*

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Mark Adviento, Internal Auditor, discussed the status of two outstanding projects from the 2017 Internal Audit Plan.

Following discussion, a **motion** was made by Mr. Gilbert, **seconded** by Ms. Freidenrich, to receive and file.

**D. CONSIDERATION OF 2018 RISK ASSESSMENT AND 2018 AUDIT PLAN**

*Presentation by Mark Adviento, Internal Auditor*

Mark Adviento, Internal Auditor, presented the 2018 Risk Assessment and a proposed 2018 Audit Plan. Following discussion, the Committee agreed to revise the proposed 2018 audit plan by postponing the recruitment of a Cyber Security Consultant until 2019.

Following discussion, a **motion** was made by Mr. Gilbert, **seconded** by Mr. Eley, to approve the 2018 Risk Assessment and a revised 2018 Audit Plan.

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**CLOSED SESSION**

**E. THREAT TO PUBLIC SERVICES OR FACILITIES  
(GOVERNMENT CODE SECTION 54957)**

*Adjourn pursuant to Government Code section 54957 to consult with Steve Delaney, CEO, Brenda Shott, Asst. CEO; Jenny Sadoski, Director of Information Technology; Jon Gossard, Security Operations Manager; Cynthia Hockless, Director of Administrative Services, and Gina M. Ratto, Chief Legal Officer*

**Recommendation:** Take appropriate action.

**F. PUBLIC EMPLOYMENT  
(Government Code section 54957)**

Title: Acting Director of Internal Audits

**Recommendation:** Take appropriate action.

*The Committee recessed into closed session at 2:36 p.m.*

*The Committee reconvened from closed session at 3:57 p.m.*

**Item E** - The Committee took **no reportable action**.

**Item F** - The Committee instructed the CEO to begin negotiations in regards to the hiring of Extra Help, or OCERS employee, or a Consultant for the position of Acting Director of Internal Audit.

The Meeting was adjourned at 3:59 p.m.

\*\*\*\*\* END OF INDIVIDUAL ITEMS AGENDA \*\*\*\*\*

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**PUBLIC COMMENTS:**

None

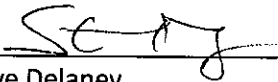
**COMMITTEE MEMBERS COMMENTS:**

None

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS:**

None

**Submitted by:**



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Steve Delaney  
Secretary to the Committee

**Approved by:**



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Charles Packard  
Committee Chair