



Date: May 16, 2012
To: Members of the Board of Retirement
From: Dale Amaral, Vice Chair
Subject: Summary of the May 16, 2012 Audit Committee Meeting

Audit Committee Vice-Chair Dale Amaral called the May 16, 2012 Audit Committee Meeting to order at 1:00 p.m. Committee members present were Annette Cain-Darnes and Liz Koppenhaver. Other Board members present were Elizabeth Rogers, George Dewey, and Alternate Member Darryl Walker. Staff Members present were Vincent Brown, Chief Executive Officer, Robert Gaumer, Chief Counsel, Harsh Jadhav, Internal Auditor, Kathy Foster, Assistant Chief Executive Officer, Victoria Arruda, Human Resources Officer, Rose Kwong, Benefits Manager, Latrena Walker Project & Information Services Manager, and Betty Tse, Chief Investment Officer.

ACTION ITEMS

1. Discussion and Possible Motion to Accept the December 31, 2011 Audited Financial Statements and Independent Auditor's Report

Vincent Brown, Chief Executive Officer proposed to take up the first information item, concerning the presentation by Williams Adley & Company, LLP (WACO) of the December 31, 2011 audited Financial Statements, before taking action on this item.

After presentation of the Audit Financial Statements for the year ending December 31, 2011 and discussion George Dewey moved and Elizabeth Rogers seconded a motion to recommend to the Board to accept and file the December 31, 2011 audited Financial Statements and the Independent Auditors' Report. It passed unanimously.

INFORMATION ITEMS:

External Audit

1. Presentation of the December 31, 2011 Audited Financial Statements

ACERA's external auditor, William Adley & Company (WACO), presented the Audit Results for the year ending December 31, 2011.

In the external auditors' presentation Robert Griffin, WACO's Engagement Partner, discussed the required communications, and Audrey Elbert, WACO's Engagement Manager, referred to the Audit Scope, and Audit Results. With regards to the Audit Results, the audit is substantially completed and external auditors will be providing an unqualified opinion on the Financial Statements.

Robert Griffin referred to GASB 25 update which will change the layout of the Financial Statements.

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Internal Audit

2. Progress Report on Internal Audit Work Plan

Harsh Jadhav, Internal Auditor presented an update to the 2012 Internal Audit work plan. He presented a status report on “Vendor Compliance Remediation Audit”, “Cash Management Audit”, and “Wire Transfer Audit”.

TRUSTEE/PUBLIC INPUT

None

RECOMMENDATIONS

1. The Audit Committee recommends to the Board of Retirement to accept and file the December 31, 2011 audited Financial Statements and the Independent Auditors’ Report.

ESTABLISHMENT OF NEXT MEETING DATE

June 13, 2012 at 1:00 pm

MEETING ADJOURNED

The meeting adjourned at 1:40 p.m.