



**MINUTES OF APRIL 15, 2021 AUDIT COMMITTEE MEETING**

**THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO**

Date: April 15, 2021  
To: Members of the Audit Committee  
From: Henry Levy, Chair  
Subject: Summary of the April 15, 2021 Audit Committee Meeting

**ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE**

Audit Committee Chair Henry Levy called the April 15, 2021, Audit Committee meeting to order at 12:04 p.m. Committee members present were Henry Levy, Tarrell Gamble, Ophelia Basgal, and Keith Carson. Darryl Walker arrived after the roll call. Other Board members present were Dale Amaral, and Jaime Godfrey. Members of the Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Harsh Jadhav, Chief of Internal Audit; Jeff Rieger, Chief Counsel; Jessica Huffman, Benefits Manager and Vijay Jagar, Retirement Chief Technology Officer. Betty Tse, Chief Investment Officer; Sandra Duenas, Benefits Manager, arrived after the start of the meeting.

**PUBLIC COMMENT**

None

**ACTION ITEMS**

***External Audit:***

- 1. Presentation of staff recommendation for selection of a Board Approved Service Provider for ACERA's External Auditor for financial years ending 2021- 2025, per ACERA's Service Provider Policy, p.3, IV(B)**

Staff provided updated fee schedules for the two firms that responded to the 2016 Request for Proposal. After review, the two firms, Williams Adley & Company., LLP and Brown Armstrong, showed no material financial difference in the cost proposals.

After discussion, it was moved by Trustee Basgal and seconded by Trustee Carson that the Audit Committee recommend to the Board of Retirement that the Board approve staff's request to retain ACERA's current external auditor (Williams Adley & Co.) for financial audit years 2021-2025.

The motion carried 6 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Levy*), 0 no, 0 abstentions.

**INFORMATION ITEMS**

*External Audit*

**1. Presentation and discussion of the draft Governmental Accounting Standards Board Statements No. 67 and 74 Valuations as of December 31, 2020 (Segal)**

Staff presented GASB 67 and 74 valuations (financial reporting) for review by the audit committee.

The GASB 67 valuation measures and reports the Total/Net Pension Liability (TPL/NPL), while the GASB 74 valuation measures and reports the Total/Net OPEB (Other Postemployment Benefits) Liability (TOL/NOL).

The Government Accounting Standards Board (GASB) Statement No. 67 Actuarial Valuation and No. 74 Actuarial Valuation and their respective addendums as of December 31, 2020 will be brought back to the May 20<sup>th</sup> Audit Committee for discussion and approval.

*Internal Audit*

**1. Progress report on the Internal Audit Plan**

Staff presented a progress report on the Internal Audit Plan.

**TRUSTEE INPUT AND DIRECTION TO STAFF**

None

**FUTURE DISCUSSION ITEMS**

None

**ESTABLISHMENT OF NEXT MEETING DATE**

May 20, 2021 at 12:30 p.m.

**MEETING ADJOURNED**

The meeting adjourned at 1:09 p.m.