

**MINUTES  
OF THE  
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS  
SPECIAL MEETING OF FEBRUARY 7, 2008**

The Audit Committee and members of the Board of Fire and Police Pension Commissioners of the City of Los Angeles met in Room 800, 360 East Second Street, on Thursday, February 7, 2008.

**COMMITTEE**

**MEMBERS PRESENT:** Patricia Means, Chair  
George Aliano, Vice Chair  
Elliott Broidy  
Sam Diannitto

**OTHER COMMISSIONERS**

**PRESENT:** Michael Carter, Vice President

**DEPARTMENT OF FIRE AND  
POLICE PENSIONS:**

Michael A. Perez, General Manager  
D. Edward Griffiths, Assistant General Manager  
Laura Guglielmo, Assistant General Manager  
Tom Lopez, Chief Investment Officer  
Isabel Rosas, Commission Executive Assistant

**CITY ATTORNEY'S OFFICE:**

Alan Manning, Assistant City Attorney  
Mike Wilkinson, Deputy City Attorney

Chair Means called the meeting to order at 8:07 a.m. The Audit Committee will be noted as a Special Board meeting since more than four Commissioners were present. All of the above Commissioners were present at the start of the meeting.

1. AUDIT COMMITTEE SELECTION AND RECOMMENDATION OF A CONSULTANT FOR ASSISTANCE IN ESTABLISHING AN INTERNAL AUDIT FUNCTION

Chair Means stated the Committee will hear presentations from the three respondents to the Request For Proposals for assistance in establishing an internal audit function. The Committee will select a firm to recommend to the full Board. Ms. Caroline Dinu, Senior Management Analyst II, announced the three firms to be interviewed today and the order in which they will be heard.

The following individuals came before the Audit Committee to give presentations on their firms for the internal audit function position:

Accretive Solutions

Ms. Sandra Bensworth, Certified Public Accountant (CPA), Executive Vice President and  
Mr. Robert Miranda, CPA, Vice President of Consulting Services

BDO Seldman, LLP

Messrs. Craig P. Linnell, CPA, Partner and Anthony Ferguson, CPA, Assurance Partner

Deloitte & Touche LLP

Mr. Don Mullinax, Principal; Ms. Shannon Kramer, Principal; and Ms. Laura Survant, Partner

DISCUSSION/SELECTION:

The Committee reviewed the presentations by the three firms to determine which firm would best fulfill the position to assistance LAFPP in establishing the internal audit function.

MOTION

Commissioner Diannitto moved that the Audit Committee recommend to the full Board that it hire Accretive Solutions as the consultant to assist in establishing an internal audit function, pending negotiations regarding their fee structure, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano (abstained), Diannitto, Broidy, Chair Means – 4; nays, none.

2. PUBLIC COMMENTS

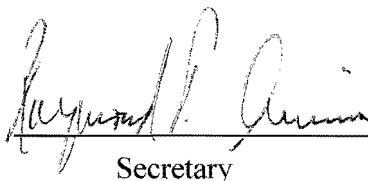
Mr. Benjamin Pezzillo, Business Agent and bona fide union representative of Local 8000, AFL-CIO, Engineers and Architects Association (EAA), gave a public comment regarding the department's accountants, auditors and management analysts, with respect to contracting out for the internal audit function. Mr. Pezzillo stated he previously communicated with LAFPP regarding contracting out for services that can be provided by City employees and further discussed the Meet and Confer issue that the union believes has been violated by the LAFPP. Mr. Alan Manning, Assistant City Attorney stated that the matter has been addressed by the City Attorney's Office and the EAA's request is not

consistent with the City Charter. Therefore, this information has been communicated to EAA via letters and City Attorney Manning stated he would provide said letters to Board Members at their request.

The Audit Committee adjourned at 9:12 a.m.



Chair



Secretary