

**MINUTES  
OF THE  
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS  
SPECIAL MEETING OF MAY 1, 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, May 1, 2008.

**COMMITTEE**

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

**COMMISSIONERS**

**ABSENT:** Elliott Broidy

**OTHER COMMISSIONERS**

**PRESENT:** Sean Harrigan  
Michael Carter

**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  
Barbara H. Nobregas, Commission Executive Assistant

**CITY ATTORNEY'S OFFICE:** Michael Wilkinson, Deputy City Attorney

Chair Means called the meeting to order at 8:05 a.m. All of the above Commissioners were present at the start of the meeting.

**1. ASSIGNMENT OF IFS RECOMMENDATIONS TO COMMITTEES AND POSSIBLE  
COMMITTEE ACTION**

Mr. D. Edward Griffiths, Assistant General Manager, Pensions Division presented the recommendation to assign the remaining IFS recommendations to the individual Committees for further action. He stated that it was up to the Audit Committee to determine if any of the assignments should be re-assigned to other committees.

Mr. Griffiths further stated that it was the responsibility of the individual Committees to prioritize the

recommendations and give direction to staff. It is up to staff to report back to the individual Committees on how the recommendations should be implemented. He pointed out that staff will have to work on the recommendations in addition to their regular assignments.

Commissioner Harrigan stated there are a number of Committees reviewing the succession plan. He suggested that the issue should be assigned to one Committee. It was determined that the succession plan be assigned to the Governance Committee.

Ms. Guglielmo stated that a succession plan is in place for the General Manager and the Chief Investment Officer positions. IFS pointed out that there is no formal succession plan for the section managers and therefore, the reason it was assigned to various Committees.

President Harrigan directed staff to check for other items that may be assigned to various Committees and reassign items to one Committee. He stated that individual Committees should be responsible for classifying their respective recommendations.

Mr. Bob Mirada from Accretive Solutions discussed the risk assessment plan and indicated that the process should be complete in mid May 2008.

President Harrigan suggested that it may be helpful to the System when Accretive Solutions prepares the final report to provide an overview of the System's strengths and weaknesses.

Commissioner Means requested a timetable be prepared to determine the status of the recommendations.

#### MOTION

Commissioner Aliano moved that the Audit Committee recommend the Board assign the remaining 78 recommendations to various Board Committees as indicated in Attachments 1 through 4 for implementation and final resolution, which was seconded by Commissioner Diannitto and approved by the following vote: ayes, Commissioners Aliano, Diannitto, and Chair Means – 3; nays, none.

Mr. Griffiths stated he will include the recommended changes to the board report going to the full Board for approval.

## 2. RECOMMENDATIONS REGARDING AUDIT COMMITTEE TRAINING ON RISK MANAGEMENT AND POSSIBLE COMMITTEE ACTION

Ms. Caroline Dinu, Senior Management Analyst, Internal Audit Section, presented the report on risk management training for Board and staff. Accretive Solutions may provide a one-hour training on the risk management at no cost prior to the finalization of the Risk Assessment report before it goes to the

Audit Committee in July 2008.

President Harrigan stated that one hour is not sufficient time to provide the training.

Mr. Bob Miranda stated that he initially recommended a longer training session but will present a high level of training for one hour.

General Manager Perez stated the risk management training should be provided first. He is open to negotiating with Accretive Solutions on providing a more in-depth training session. He will return to the Audit Committee with a proposal from Accretive Solutions on the cost and date to schedule the risk management training.

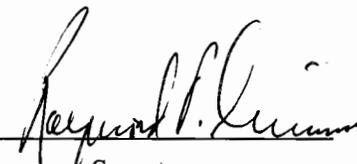
The Audit Committee did not take action on this item but directed staff to follow up on the risk management training and report back to the Audit Committee.

3. PUBLIC COMMENTS

There was no public comment.

The meeting adjourned at 8:31 a.m.

  
Chair

  
Secretary