

**MINUTES**  
**OF THE**  
**BOARD OF FIRE AND POLICE PENSION COMMISSIONERS**  
**SPECIAL BOARD MEETING OF OCTOBER 1, 2015**

The Audit Committee and members of the Board of Fire and Police Pension Commissioners of the City of Los Angeles met at the LACERS Board Room, located at the Los Angeles Times Building, 202 W. First Street, Suite 500, Los Angeles 90012 on Thursday, October 1, 2015.

**COMMITTEE**

**MEMBERS PRESENT:** Cielo Castro, Chair  
Ruben Navarro, Vice Chair  
George Aliano  
Robert von Voigt (pro tempore)

**COMMITTEE MEMBER**

**ABSENT:** Corinne Tapia

**OTHER COMMISSIONER**

**PRESENT:** Adam Nathanson

**AUDIT COMMITTEE**

**SUPPORT STAFF:** Erin Kenney, Departmental Audit Manager

**DEPARTMENT OF FIRE AND**

**POLICE PENSIONS:** Raymond P. Ciranna, General Manager  
William Raggio, Executive Officer  
Joseph Salazar, Assistant General Manager  
Tom Lopez, Chief Investment Officer  
Rhonda Ketay, Commission Executive Assistant

**CITY ATTORNEY'S OFFICE:** James Napier, Deputy City Attorney

Commissioner von Voigt called the meeting to order at 8:46 a.m. All of the above-listed Commissioners were present at the start of the meeting with the exception of Commissioner Castro who arrived at 8:48 a.m. President von Voigt temporarily removed Commissioner Tapia from the Audit Committee, and appointed himself to establish a quorum of three members. The Audit Committee meeting will be noted as a Special Board meeting since a quorum of the Board was present.

1. ELECTION OF CHAIR AND POSSIBLE COMMITTEE ACTION

MOTION

Commissioner Navarro moved that the Audit Committee elect Commissioner Castro as Chair, which was seconded by Commissioner Aliano and approved by the following vote: ayes, Commissioners Aliano, Navarro, and von Voigt – 3; nays, none.

MOTION

Commissioner Aliano moved that the Audit Committee elect Commissioner Navarro as Vice Chair, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Navarro, and von Voigt – 3; nays, none.

Chair Castro arrived at 8:48 a.m.

2. ANNUAL CONFIRMATION OF ORGANIZATIONAL INDEPENDENCE OF THE INTERNAL AUDIT ACTIVITY AND POSSIBLE COMMITTEE ACTION

Ms. Erin Kenney, Departmental Audit Manager, (DAM) is the “chief audit executive” for the department and formally reconfirmed the organizational Independence of our internal audit activity. Ms. Kenney explained that independence is the freedom from conditions that threaten the ability of the internal audit activity to carry out their responsibilities in an unbiased manner. The DAM must have direct and unrestricted access to senior management and the Board. The DAM reports functionally to the Board and administratively to the General Manager. She continued that administratively reporting to the General Manager facilitates day to day questions and functional reporting the Board allows the DAM free access to the Board and that the Board is involved in internal audit activities. The *International Standards for the Professional Practice of Internal Auditing, Standard 1110* provides seven examples of functional reporting to the Board. Every year the Internal Audit Section performs formal monitoring of LAFPP’s quality control processes as required by Standards.

Ms. Kenney stated that the Audit Committee’s duties and responsibilities include reviewing the qualifications of the Internal Audit Section’s staff periodically. In addition to over 40 years of auditing experience amongst the three Internal Audit Section staff, they also maintain several certifications and ensure they earn sufficient and relevant continuing professional educational credits that enable them to perform audits according to both internal auditing standards and government auditing standards. LAFPP has always been supportive of specific training requests made to the General Manager as well as with the Board support of employee training and education as reflected in budget and in our new vision statement.

MOTION

Commissioner Aliano moved that the Audit Committee review this annual confirmation of organizational independence of the internal audit activity and recommend it to the Board to be reviewed, received, and filed, which was seconded by Commissioner von Voigt and approved by the following vote: ayes, Commissioners Aliano, Navarro, von Voigt, and Chair Castro – 4; nays, none.

3. GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

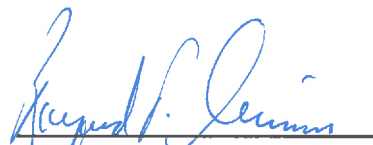
There were no public comments.

The meeting adjourned at 8:51 a.m.



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Chair



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Secretary

