

**STATE COMPENSATION INSURANCE FUND
AUDIT COMMITTEE**

MINUTES OF OPEN SESSION MEETING

August 18, 2015

The Audit Committee met on August 18, 2015 at the State Fund Corporate Office, 333 Bush Street, 7th floor, San Francisco, California.

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

The meeting was called to order at 8:00 a.m. and the following Members were present: Sheryl A. Chalupa (Chair); Sen. Michael J. Machado; and Steven L. Rank.

Absent: William M. Zachry

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; Chief of Internal Affairs Dante Robinson; Board Liaison and Interim Corporate Secretary Hilda B. Padua; Counsel and Assistant Corporate Secretary Judith D. Sapper; and Randall Keen of Manatt, Phelps & Phillips, LLP.

AGENDA ITEM 2: ANTITRUST ADMONITION

Ms. Chalupa called attention to and requested confirmation that the Audit Committee members read State Fund's Antitrust Admonition, which is included in each Committee member's meeting materials.

AGENDA ITEM 3: APPROVAL OF MAY 20, 2015 OPEN MEETING MINUTES

MOTION: Mr. Rank

SECOND: Sen. Machado

To approve the May 20, 2015 Open Meeting Minutes as presented.

Ms. Chalupa requested public comment of which there was none. Ms. Chalupa called for the vote.

YES: 3

NO: 0

Abstain: 0

Motion carried.

AGENDA ITEM 4: COMPLETED CLOSED AUDITS

Ms. Chalupa noted that this item is read only, unless questions.

AGENDA ITEM 5: WHISTLEBLOWER HOTLINE

Ms. Chalupa noted that this item is read only, unless questions.

AGENDA ITEM 6: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION FOR ITEMS 9 THROUGH 13

Ms. Chalupa requested public comment on the appropriateness of Closed Session Agenda Items 9-13, of which there was none.

AGENDA ITEM 7: PUBLIC COMMENT

Ms. Chalupa requested other public comment, of which there was none. The Audit Committee immediately convened into Closed Session at 8:05 a.m.

AGENDA ITEM 14: CALL TO ORDER AND ROLL CALL

The meeting reconvened at 9:15 a.m. following the conclusion of the Closed Session and the following Members were present: Sheryl A. Chalupa (Chair); Sen. Michael J. Machado; Steven L. Rank (joined at item 16); and William M. Zachry.

Also present: President and CEO Vernon L. Steiner; General Counsel Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; Chief of Internal Affairs Dante Robinson; Board Liaison and Interim Corporate Secretary Hilda B. Padua; Counsel and Assistant Corporate Secretary Judith D. Sapper; and Randall Keen of Manatt, Phelps and Phillips.

There was a quorum.

AGENDA ITEM 15: COMMITTEE MEMBER PRESENTATIONS

Ms. Chalupa requested presentations from the Committee members of which there were none.

AGENDA ITEM 16: PROPOSALS AND SUGGESTIONS FOR NOVEMBER 18, 2015 AGENDA

Ms. Chalupa requested suggestions for agenda items for the November 18, 2015 Audit Committee meeting other than the standing agenda items, of which there were none. Ms. Chalupa requested public comment, of which there was none, and she noted that the next Audit Committee meeting is scheduled for November 18, 2015 at the State Fund Corporate Office, 333 Bush Street, San Francisco, California unless noticed for a new date and time.

ADJOURNMENT

There being no further business before the Audit Committee, the meeting adjourned at 9:20 a.m.

Respectfully submitted,

Hilda B. Padua
Board Liaison and Assistant Corporate Secretary