

AUDIT COMMITTEE MEETING (OPEN)

AGENDA ITEM 7

ATTACHMENT 7-I

MINUTES OF JANUARY 15, 2009 OPEN AUDIT COMMITTEE MEETING

PRESENTED BY: Francis Quinlan

March 12, 2009

**STATE COMPENSATION INSURANCE FUND  
AUDIT COMMITTEE**

**MINUTES OF OPEN SESSION MEETING**

**JANUARY 15, 2009**

The Audit Committee met on January 15, 2009 in the Milton Marks Conference Center, State Building, 455 Golden Gate Ave, San Francisco, California.

**AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 1:03 p.m. and the following members were present: Francis Quinlan, Chair; Sheryl Chalupa; Vincent Mudd.

Also present: KPMG Audit Partner Mark McMorrow and Senior Manager Shelly Kay Pfeiffer; President and CEO Janet Frank; Chief Financial Officer Jay Stewart; Internal Audit Manager Barbara Simmons; Senior Vice President of Internal Affairs Lisa Middleton; General Counsel and Corporate Secretary Carol R. Newman; Assistant Chief Counsel and Assistant Secretary Judith D. Sapper; and Randall Keen, Esq. of Manatt Phelps & Phillips.

**AGENDA ITEM 2: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION ITEM 4**

There was no public comment made.

The Committee immediately convened into Closed Session.

**AGENDA ITEM 3: APPROVAL OF MINUTES OF NOVEMBER 20, 2008 CLOSED MEETING** Closed Session.

**AGENDA ITEM 4: INTERNAL AUDIT MANAGER'S REPORT ON PENDING AUDITS AND INVESTIGATIONS** Closed Session.

**AGENDA ITEM 5: CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 2:40 p.m. following the conclusion of the Closed Session and the following members were present: Francis Quinlan, Chair; Sheryl Chalupa; Vincent E. Mudd.

Also present: KPMG Audit Partner Mark McMorrow and Senior Manager Shelly Kay Pfeiffer; President and Chief Executive Officer Janet Frank; Executive VP Jim Neary; Chief Financial Officer Jay Stewart; Internal Audit Manager Barbara Simmons; Senior Vice President of Internal Affairs Lisa Middleton; General Counsel and Corporate Secretary Carol R. Newman; Assistant Chief Counsel and Assistant Secretary Judith D. Sapper; and Randall Keen, Esq. of Manatt Phelps & Phillips.

**AGENDA ITEM 6: APPROVAL OF NOVEMBER 20, 2008 OPEN MEETING MINUTES**

MOTION: Mr. Mudd            Second: Ms. Chalupa

To approve the minutes of the November 20, 2008 Open Meeting of the Audit Committee as presented.

AYES: 3                      NOES: 0                      Motion carried.

**AGENDA ITEM 7: INTERNAL AUDIT COMPLETED PROJECTS REPORT**

Ms. Middleton presented the Completed Projects Report, as required by the Audit Committee charter, noting that Internal Audit is on schedule with the Audit Plan. There was no public comment made.

**AGENDA ITEM 8: COMMITTEE MEMBER PRESENTATIONS**

There were no presentations for this standing agenda item. There was no public comment made.

**AGENDA ITEM 9: PROPOSALS AND SUGGESTIONS FOR MARCH 2009 AGENDA**

In addition to the standing Agenda items, there was a proposal for presentations at Open and Closed sessions by key management personnel on significant items of risk, problems or challenges, to begin with IT and the new Chief Investment Officer. The IT Manager in coordination with the Chief Risk Officer will be asked to make a presentation for the March meeting.

**AGENDA ITEM 10: PUBLIC COMMENT**

There was no public comment made.

The next Audit Committee meeting is scheduled for March 12, 2009 at 1:00 p.m. in San Francisco, California.

**ADJOURNMENT**

There being no further business before the Audit Committee, the meeting adjourned at 2:48 p.m.