

**STATE COMPENSATION INSURANCE FUND
AUDIT COMMITTEE**

MINUTES OF OPEN SESSION MEETING

February 26, 2020

The Audit Committee met on February 26, 2020 at the State Fund Pleasanton Office, 5890 Owens Drive (Atlantic and Pacific rooms), Pleasanton, California.

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

The meeting was called to order at 2:00 p.m. Ms. Padua took roll and the following Members were present: William M. Zachry (Chair); David M. Lanier; Senator Michael J. Machado (Ret.); and Angela D. Tate.

Absent by prior arrangement: Senator Tom. C. Berryhill (Ret.)

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary and Chief of Internal Affairs Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; Board Liaison and Assistant Corporate Secretary Hilda B. Padua; and Executive Analyst Sandra Lindo-Talin.

AGENDA ITEM 2: ANTITRUST ADMONITION

Mr. Zachry 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: CONSENT CALENDAR

- a. Approval of November 20, 2019 Open Meeting Minutes

Mr. Zachry asked whether any Committee member had any comments, of which there were none.

Mr. Zachry called for a Motion.

MOTION: Sen. Machado

SECOND: Mr. Lanier

To approve the Consent Calendar as presented.

Mr. Zachry requested public comment of which there was none. Mr. Zachry called for the vote.

YES: 4

NO: 0

Abstain: 0

Motion carried.

AGENDA ITEM 4: COMPLETED CLOSED AUDITS

Mr. Zachry noted that this item is read only, unless there are questions. Mr. Zachry asked Chief of Internal Affairs Ms. Lariviere if there was any new information from the time the report was published. Ms. Lariviere noted that the report was current and there were no changes.

AGENDA ITEM 5: WHISTLEBLOWER HOTLINE

Mr. Zachry noted that this item is read only, unless there are questions. He asked Executive Vice President and Chief Administrative Officer Andreas Acker if there was any new information from the time the report was published. Mr. Acker introduced Ms. Jennifer Hoyle and noted that moving forward Ms. Hoyle will be providing the update on Whistleblower Hotline and Personnel Investigations. Mr. Acker noted there was an uptick in harassment matters reporting due to the "Preventing Harassment Training" deployed to the organization in October 2019. Mr. Acker and Mr. Zachry both noted that every time there is a training rolled out, there is an increase of reports received on the hotline.

AGENDA ITEM 6: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION FOR ITEMS 9 THROUGH 14

Mr. Zachry requested public comment on the appropriateness of Closed Session Agenda Items 9 through 14, of which there was none.

AGENDA ITEM 7: PUBLIC COMMENT

Mr. Zachry requested other public comment, of which there was none. The Audit Committee immediately convened into Closed Session at 2:05 p.m.

AGENDA ITEM 15: CALL TO ORDER AND ROLL CALL

The Open Session meeting reconvened at 5:25 p.m. following the conclusion of the Closed Session and the following Members were present: William M. Zachry (Chair); David M. Lanier; Senator Michael J. Machado (Ret.); and Angela D. Tate.

Absent by prior arrangement: Senator Tom. C. Berryhill (Ret.)

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary and Chief of Internal Affairs Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; Board Liaison and Assistant Corporate Secretary Hilda B. Padua; and Executive Analyst Sandra Lindo-Talin.

AGENDA ITEM 16: COMMITTEE MEMBER PRESENTATIONS

Mr. Zachry requested presentations from the Committee members, of which there were none.

AGENDA ITEM 17: PROPOSALS AND SUGGESTIONS FOR MAY 27, 2020 AGENDA

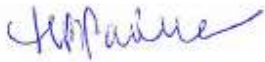
Mr. Zachry requested suggestions for agenda items for the May 27, 2020 Audit Committee meeting other than the standing agenda items, of which there were none.

Mr. Zachry requested public comment, of which there was none. He noted that the next Audit Committee meeting is scheduled for May 27, 2020 at the State Fund Pleasanton Office, Pleasanton, California unless noticed for a new date and time.

ADJOURNMENT

There being no further business before the Audit Committee, the meeting adjourned at 5:30 p.m.

Respectfully submitted,



Hilda B. Padua, Board Liaison and Assistant Corporate Secretary