BOARD OF ADMINISTRATION

Meeting Minutes - Final

FCERS and Police&Fire Retirement Plan Audit Committee

Thursday, May 15, 2025	**12:30 PM**	**1737 N. First St. Suite 580, San Jose, CA 95112**

HYBRID MEETING

PHYSICAL LOCATION:
ORS, 1737 N. First St., Suite 580, San Jose, CA 94112

ZOOM INFORMATION:
zoom.us
Dial In: +1 669-219-2599 US (San Jose)
Meeting ID: 912 8059 6169

FCERS Committee Members:
Prachi Avasthy, Chair (Term Expires 11/30/25)
Debbie Abbott, Vice Chair (Term Expires 11/30/26)
Vacant, Trustee

Police and Fire Committee Members:
Howard Lee, Chair (Term Expires 11/30/26)
Sunita Ganapati, Vice Chair (Term Expires 11/30/26)
David Woosley, Trustee (Term Expires 11/30/28)

Present: 5 - Debbie Abbott, Prachi Avasthy, Sunita Ganapati, Howard Lee and David Woolsey

The Federated Audit Committee and Police and Fire Audit Committee met in person on Thursday, May 15, 2025 at ORS, 1737 North First St., Suite 580, San Jose, CA 95112 and via Zoom at 12:30 p.m. The Police and Fire Audit Committee meeting was called to order at 12:32 p.m. by Chair Lee followed by roll call. The Federated Audit Committee meeting was called to order at 12:33 p.m. by Chair Avasthy followed by roll call.

Police and Fire Committee Members Present: Howard Lee, Sunita Ganapati, and David Woolsey.

Federated City Employees Retirement System (FCERS) Committee Members Present: Prachi Avasthy, and Debbie Abbott.

Retirement Staff Present: John Flynn, Barbara Hayman, Sandra Castellano, Benjie Chua-Foy, Shilpi Dwivedi, Chris Ha, Cynthia Ayala, Edith Aldama, Sherrell Aledo, and Gabriela Romero-Castrejon.

Also Present: Craig Harner and Yia Yang, Macias Gini & O'Connell LLP (MGO), Mustari Ubaydullaeva, Public Attendee; and Wenjun Lin, Public Attendee.

ADA ALERT

** **AB 2449 REMOTE APPEARANCE(S)**

a. Just Cause Circumstance(s) (Gov't Code § 54953)

i. The following Trustee(s) have notified the Board of a "Just Cause" to attend this meeting via teleconference.

NONE

ii. Call for Trustee(s) who wish to notify the Board of a "Just Cause" to attend this meeting via teleconference.

b. Emergency Circumstance(s) (Gov't Code § 54953)

i. The following Trustee(s) have requested the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance."

NONE

ii. The following Trustee(s) have requested the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance."

iii. Take action on request(s) for remote appearance.

- **Call To Order and Roll Call**

- **Orders of the Day**

This item was heard immediately after roll call attendance.

Chair Lee read the following into the record:

Orders of the Day
• None

Waive Sunshine (amended/attachments POSTED late):
• Late attachment for Item 1a.

A motion was made to waive sunshine on the attachment reference above.

Police and Fire Committee Approved. (M.S.C. Ganapati/Woolsey 3-0-0).

FCERS Committee Approved. (M.S.C. Abbott/Avasthy 2-0-0).

JOINT AUDIT COMMITTEE

1. CONSENT CALENDAR

a. Approval of the Minutes of the February 20, 2025, Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Department Retirement Plan.

A motion was made to approve the Consent Calendar.

Police and Fire Committee Approved. (M.S.C. Woolsey/Ganapati 3-0-0).

FCERS Committee Approved. (M.S.C. Abbott/Avasthy 2-0-0).

2. NEW BUSINESS

a. Discussion and action on FY 2024-2025 Office of Retirement Services Plans Audit Plan by Macias Gini & O'Connell LLP (MGO).

Craig Harner from MGO presented the item and responded to questions from the Committee. CEO Flynn assisted in answering questions from the Committee. Chair Lee thanked Mr. Harner for his presentation.

A motion was made to accept the FY 2024-2025 Office of Retirement Services Plans Audit Plan by Macias Gini & O'Connell LLP (MGO).

Police and Fire Committee Approved. (M.S.C. Woolsey/Ganapati 3-0-0).

FCERS Committee Approved. (M.S.C. Abbott/Avasthy 2-0-0).

b. Discussion on the status of outstanding City Auditor recommendations.

CEO Flynn presented the item and answered questions from the Committee. Benjie Chua-Foy, Accounting Division Manager, assisted in answering questions from the Committee.

No action was taken for this item.

c. Discussion and action to review and approve the Scope of Services for the RFP for outsourced internal auditor, the committee's involvement, and timeline in the procurement process.

Chair Avasthy introduced the item. CEO Flynn presented the item and responded to questions from the Committee. Chair Avasthy and Trustee Woosley provided additional comments. Shilpi Dwivedi, ORS Information Technology Manager; Benjie Chua-Foy, Accounting Division Manager; and Sandra Castellano, Benefits Division Manager, also added comments.

A motion was made to authorize the CEO and staff to issue the RFP for an outsourced internal auditor, as presented, as soon as possible.

Police and Fire Committee Approved. (M.S.C Ganapati/Woolsey 3-0-0).

After a robust discussion, an amended motion was made to authorize the CEO and staff to issue the RFP for an outsourced internal auditor as soon as possible, and to recommend to the Boards the formation of a Joint Ad Hoc Audit Committee (JAAHC) for the purpose of creating a procurement and contracting to hire an external internal auditor. Vice-Chair Ganapati will represent the Police & Fire side, and Vice-Chair Abbott will represent the Federated side. The JAAHC will remain active until the RFP and contracting process is complete, with a defined end date.

Police and Fire Committee Approved. (M.S.C. Ganapati/Woolsey 3-0-0).

FCERS Committee Approved. (M.S.C. Avasthy/Abbott 2-0-0).

d. Discussion on outstanding Internal Audit findings and ORS' status of completion in addressing those findings.

Chair Avasthy introduced the item. CEO Flynn presented the item and answered questions from the Committee. Vice-Chair Ganapati and Chair Lee recommended bringing the Proposed Complete item to the committees or the full boards based on reviewing the Committee Character on authority, and as a discussion and action item at a future meeting.

No action was taken for this item.

- **Proposed Agenda Items**

None.

- **Public Comments**

None.

- **Adjournment**

The Police & Fire Committee adjourned at 2:18 p.m.

The FCERS Committee adjourned at 2:18 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,

_____

John Flynn, CEO, Office of Retirement Services

In accordance with the requirements of AB 2449, the Board of Administration ("Board") will generally, upon request, provide appropriate aids and services leading to effective communication for individuals with disabilities so they can participate equally in the Board's meetings, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, vision or other disabilities.

Anyone who requires an auxiliary aid or service for effective communication to participate in a Board meeting should contact the designated contact in Office of Retirement Services as far in advance of the scheduled meeting as possible. The Board strongly encourages individuals with disabilities to endeavor to submit requests for reasonable accommodation no later than five (5) business days before the scheduled meeting, as the Board may not be able to grant requests for reasonable accommodations without sufficient advance notice. The Board strongly encourages individuals with disabilities to submit their written requests via email or regular mail to facilitate tracking and response; however, if the submission of a written request constitutes a hardship, individuals may call the Office of Retirement Services to submit an oral request.

The designated contact in the Office of Retirement Services will endeavor to respond to each request within three (3) business days of receipt of the request. Depending on the request, the designated contact in the Office of Retirement Services may ask to schedule a time to discuss the request (which may occur virtually) to determine the most appropriate auxiliary aid or service, before the request is resolved.

ADA Designated Contact Information

Attention: Deputy Director/Chief Operations Officer, Office of Retirement Services
Address: 1737 N First St #600, San Jose, CA 95112
Email: #Retire_Admin@sanjoseca.gov
Phone: 408-794-1000 (ORS Main Line)

THE LEVINE ACT
The Levine Act requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than $500 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution on the form located on the Levine Act webpage.