

AUDIT COMMITTEE MEETING (OPEN)

AGENDA ITEM 6

ATTACHMENT 6-I

MINUTES OF NOVEMBER 20, 2008 AUDIT COMMITTEE

PRESENTED BY: Frank Quinlan

January 15, 2009

**STATE COMPENSATION INSURANCE FUND  
AUDIT COMMITTEE**

**MINUTES OF MEETING**

**November 20, 2008**

The Audit Committee met on November 20, 2008 in the Monterey Room of the Milton Marks Conference Center, State Building, 455 Golden Gate Ave, San Francisco, California.

An announcement was made at 1:00 p.m. that the meeting would be delayed for lack of a quorum and a revised meeting time schedule for the afternoon meetings was presented.

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

The meeting was called to order at 2:53 p.m. and the following members were present: Sheryl A. Chalupa; Vincent E. Mudd, Acting Chair. Absent: Francis (Frank) E. Quinlan, Chair.

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

**AGENDA ITEM 2: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION ITEMS 4 THROUGH 6**

There was no public comment.

The Committee immediately convened into Closed Session.

**AGENDA ITEM 3: INDEPENDENT AUDITOR INTERNAL CONTROLS AND PEER/QUALITY ASSURANCE ASSESSMENT** Closed Session.

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

**AGENDA ITEM 5: DRAFT 2009 AUDIT PLAN** Closed Session.

**AGENDA ITEM 6: INDEPENDENT AUDITOR'S 2008 AUDIT PLAN** Closed Session.

**AGENDA ITEM 7: CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 3:35 p.m. following the conclusion of the Closed Session and the following members were present: Sheryl A. Chalupa; Vincent E. Mudd, Acting Chair. Absent: Francis (Frank) E. Quinlan, Chair.

Also present: KPMG Audit Partner Mark McMorro and Senior Managers Shelly Kay Pfeiffer and Sheafali Patel; 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 Carol R. Newman; Assistant Chief Counsel and Board Secretary Judith D. Sapper; and Randall Keen, Esq. of Manatt Phelps & Phillips.

**AGENDA ITEM 8: APPROVAL OF SEPTEMBER 10, 2008 OPEN MEETING MINUTES**

MOTION: Ms. Chalupa      Second: Mr. Mudd

To approve the minutes as presented.

AYES: 2                      NOES: 0                      Motion carried.

**AGENDA ITEM 9: INTERNAL AUDIT COMPLETED PROJECTS REPORT**

Ms. Middleton presented the Completed Projects Report, describing the progress of the projects undertaken in the areas of audit engagements, control assessment, consulting, facilitation of exams, and special projects. She is always seeking to improve the skill sets of the auditors but is satisfied that Internal Audit has the overall resources needed.

**AGENDA ITEM 10: COMMITTEE MEMBER PRESENTATIONS**

There were no presentations for this standing agenda item.

**AGENDA ITEM 11: PROPOSALS AND SUGGESTIONS FOR JANUARY 2009 AGENDA**

No specific proposals were suggested in addition to the standing Agenda items.

**AGENDA ITEM 12: PUBLIC COMMENT**

There was no public comment.

The next Audit Committee meeting is scheduled for January 15, 2009 at 1:00 p.m. in San Francisco, California.

**ADJOURNMENT**

There being no further business before the Audit Committee, the meeting adjourned at 3:45 p.m.