

**GENERAL SESSION MINUTES  
AUDIT COMMITTEE MEETING  
May 16-17, 2018  
ISO Headquarters  
Folsom, California**

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**May 16, 2018**

The Audit Committee of the ISO Board of Governors convened the general session meeting at approximately 2:15 p.m. and the presence of a quorum was established.

**ATTENDANCE**

The following members of the Audit Committee were in attendance:

Mark Ferron, Chair  
Richard Maullin

The following members of the Board and executive team were also present at times throughout the meeting: Dave Olsen, Ash Bhagwat, Steve Berberich, Keith Casey, Mark Rothleder, Eric Schmitt, Petar Ristanovic, Roger Collanton, Stacey Crowley, Ryan Seghesio and Jodi Ziemathis

**GENERAL SESSION**

The following agenda items were discussed in general session:

**PUBLIC COMMENT**

There was no public comment offered at this time.

**DECISION ON GENERAL SESSION MINUTES**

Governor Ferron moved for approval of the Audit Committee's general session minutes for the March 22, 2018 meeting. The motion was seconded by Governor Maullin and approved 2-0.

**ACCEPTANCE OF AUDIT OF 2017 FINANCIAL STATEMENTS AND FERC FORM 1**

Denise Walsh, Controller, informed the Committee that Management has completed the annual financial statement process that included audited financial statements and FERC Form 1. Ms. Walsh provided highlights of the Statements of Net Position and noted the

net position was \$162 million. Ms. Walsh concluded her presentation by providing highlights of the Statements of Revenues, Expenses and Changes in Net Position.

Steven Krump, on behalf of PricewaterhouseCoopers, provided the Committee with introductory remarks regarding the audit results and noted the issued opinions were unqualified. Sarah Tantawy, on behalf of PricewaterhouseCoopers, provided the Committee with an overview of the areas of audit emphasis, including management override of controls and new accounting standards related to the postemployment benefits standard. Ms. Tantawy next provided an overview of the audit risks and results and concluded her presentation by reviewing external auditor required communications to the Audit Committee.

## **Motion**

### **Governor Ferron:**

***Moved, that the Audit Committee of the ISO Board of Governors accepts the audited financial statements issued on April 12, 2018 by PricewaterhouseCoopers, as attached to the memorandum dated May 9, 2018; and***

***Moved, that the Audit Committee of the ISO Board of Governors accepts the FERC Form No. 1 audit report, issued on April 16, 2018 by PricewaterhouseCoopers, as attached to the memorandum dated May 9, 2018.***

**The motion was seconded by Governor Maullin and approved 2-0.**

## **INFORMATIONAL REPORT**

There were no questions on the informational report titled: Update on scope of operations audit.

## **ADJOURNED**

There being no additional general session matters to discuss, the general session was adjourned at approximately 2:30 p.m.