

**GENERAL SESSION MINUTES
AUDIT COMMITTEE MEETING
September 17-18, 2015
ISO Headquarters
Folsom, California**

September 17, 2015

The Audit Committee of the ISO Board of Governors convened the general session meeting at approximately 1:00 p.m. and the presence of a quorum was established.

ATTENDANCE

The following members of the Audit Committee were in attendance:

Ash Bhagwat
Dave Olsen, Acting Chair

Also present: Mark Ferron

The following members of the executive team were present at times throughout the meeting: Eric Schmitt, Karen Edson, Roger Collanton and Becky Regan

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 Bhagwat moved for approval of the Audit Committee's general session minutes for the May 14, 2015 meeting. The motion was seconded by Governor Olsen and approved 2-0.

ACCEPTANCE OF AUDIT OF ISO RETIREMENT SAVINGS BENEFITS PLAN

Ryan Seghesio, Chief Financial Officer and Treasurer, informed the Audit Committee that the U.S. Department of Labor requires employers with employee benefit plans to

file audited financial statements. Mr. Seghesio reviewed a table that depicted how the plan assets had increased by \$13.4 million in 2014.

Negin Saei, with Moss Adams, provided the Audit Committee with a background overview of Moss Adams and noted it was California's largest provider of audits of ERISA plans. She noted the firm performs approximately 1,400 audits annually. Ms. Saei provided an overview of the auditor communications that are required as part of the rules of professional responsibility. She stated the information included in the financial statements and supplementation information complied with the Department of Labor's rules. Ms. Saei noted her appreciation to ISO staff and the Plan's service provider, Schwab, for the high level of commitment and cooperation throughout the process. Discussion followed regarding the competitiveness of the return and internal efforts underway to assist employees in managing their portfolio.

Motion

Governor Bhagwat:

Moved, that the Audit Committee of the ISO Board of Governors accepts the audit report of financial statements with supplementary information of the California ISO Retirement Savings Benefits Plan for the years ended December 31, 2014 and 2013, as audited by Moss Adams LLP Certified Public Accountants, and as attached to the memorandum dated September 15, 2015.

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

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 1:15 p.m.