



Acceptance of Audit of California ISO Retirement Savings Benefits Plan for 2014 and 2013

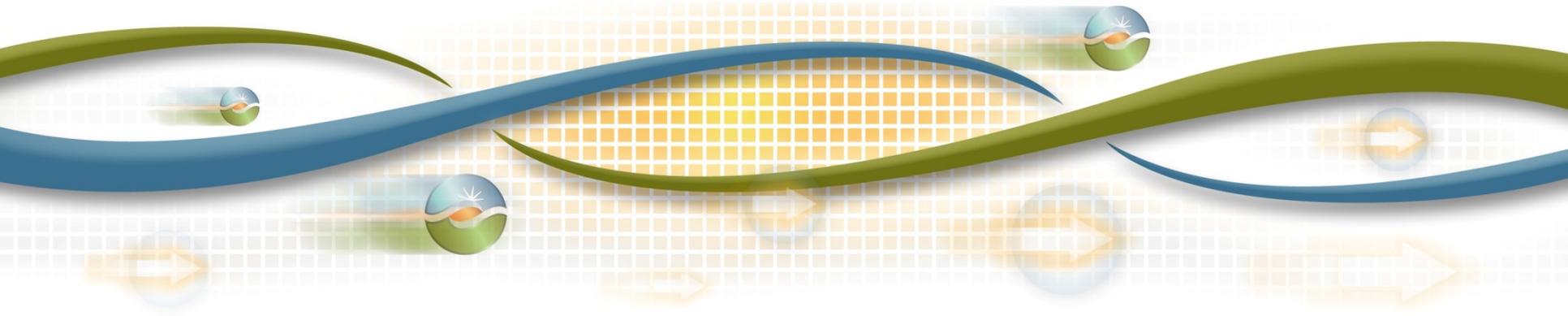
Ryan Seghesio, Chief Financial Officer & Treasurer

Negin Saei, Moss Adams LLP, Certified Public Accountants

Audit Committee Meeting

General Session

September 17-18, 2015



US Department of Labor requires employee benefit plans to file audited financial statements

- Defined contribution plan - 401(k)
 - Employee contributions and rollovers
 - Employer contributions
- Financial statements and supplementary information
 - Governmental Accounting Standards Board
 - Employee Retirement Income Security Act of 1974 (ERISA)
- Audit opinion modified in accordance with Department of Labor rules and regulations
 - Audit of the trustee's assets and related income (loss) not required if the assets are maintained at an approved trustee
 - Limited scope audit

Plan assets increased by \$13.4 million in 2014

(in millions)

Additions:	
Employee contributions	\$ 7.6
Employer contributions	9.1
Increase in value of investments & income	9.2
Deductions:	
Benefits paid	(12.5)
Net increase in net assets for 2014	13.4
Net assets, beginning of year	182.5
Net assets, year-end 2014	\$195.9

Presented by
Moss Adams LLP,
Certified Public Accountants

About Moss Adams, LLP

- 14th largest firm in US, based in Seattle, 100 years in business
- California's largest provider of audits of ERISA plans
- Silicon Valley office performs approximately 400 audits annually with plans holding assets from \$.5 million to \$6 billion
- Firm performs approximately 1,400 audits annually

The following auditor communications are required as part of the rules of professional responsibility

Communication	Response
Auditor responsibility	To perform audit; management is responsible for the financial statements
Significant accounting policies	No changes in 2014
Management judgments and estimates	Fair value of investments
Deficiencies in internal controls	None identified
Fraud and illegal acts	None identified
Disagreements with management	None
Consultations with other accountants	None
Material uncertainties	None
Significant issues discussed prior to retention	None
Independence	No issues
Audit adjustments recorded	Three adjustments (cash to accrual JEs)
Uncorrected misstatements	None

Closing thoughts

- Information included in the Financial Statements and Supplementary Information complies with DOL's Rules and Regulations for Reporting and Disclosure under ERISA
- The 2014 audit was performed and completed on time
- High level of commitment and cooperation of ISO staff and Plan's service provider (Schwab) greatly appreciated
- Questions