Association of Public Pension Fund Auditors
Professional Development Conference

Embassy Suites Hotel, Denver Tech Center
10250 East Costilla Avenue
Centennial, CO 80112

Earn 18 CPE Credits—See Details Inside

Denver, Colorado • May 2-5, 2010
# Conference Agenda

## Sunday, May 2

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>6:00 p.m.—8:30 p.m.</td>
<td>Welcome Reception</td>
</tr>
</tbody>
</table>

## Monday, May 3

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30 a.m.—8:45 a.m.</td>
<td>Introduction and Logistics</td>
</tr>
<tr>
<td></td>
<td>Richard Bendall—APPFA President, LACERA</td>
</tr>
<tr>
<td>8:45 a.m.—9:45 a.m.</td>
<td>Welcome and Opening Comments</td>
</tr>
<tr>
<td></td>
<td>Meredith Williams—Executive Director, Colorado PERA</td>
</tr>
<tr>
<td>9:45 a.m.—10:30 a.m.</td>
<td>Roll Call of the States</td>
</tr>
<tr>
<td></td>
<td>Steve Hayward—APPFA Vice President, SURS of Illinois</td>
</tr>
<tr>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>10:45 a.m.—12:00 p.m.</td>
<td>Roll Call of the States (continued)</td>
</tr>
<tr>
<td></td>
<td>Steve Hayward—APPFA Vice President, SURS of Illinois</td>
</tr>
<tr>
<td>Lunch</td>
<td></td>
</tr>
<tr>
<td>1:15 p.m.—2:45 p.m.</td>
<td>Fraud Risk Management</td>
</tr>
<tr>
<td></td>
<td>John Hall—President, Hall Consulting Inc.</td>
</tr>
<tr>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>3:00 p.m.—4:45 p.m.</td>
<td>Fraud Risk Management (continued)</td>
</tr>
<tr>
<td></td>
<td>John Hall—President, Hall Consulting Inc.</td>
</tr>
<tr>
<td>5:15 p.m.</td>
<td>APPFA Group Dinner</td>
</tr>
</tbody>
</table>

## Tuesday, May 4

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30 a.m.—10:15 a.m.</td>
<td>IIA Standards Changes</td>
</tr>
<tr>
<td></td>
<td>Flerida Rivera-Alsing—Chief of Internal Audit, SBA of Florida</td>
</tr>
<tr>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>10:30 a.m.—12:00 p.m.</td>
<td>Real Estate Risk Assessment</td>
</tr>
<tr>
<td></td>
<td>Bill Porter—VP Internal Audit, Cadillac Fairview Corp.</td>
</tr>
<tr>
<td>Lunch</td>
<td></td>
</tr>
<tr>
<td>1:15 p.m.—2:45 p.m.</td>
<td>Enterprise Risk Management</td>
</tr>
<tr>
<td></td>
<td>APPFA Best Practices Committee Panel</td>
</tr>
<tr>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>3:00 p.m.—4:30 p.m.</td>
<td>Corporate Governance</td>
</tr>
<tr>
<td></td>
<td>David Maurek—Former Chief Operating Officer, Colorado PERA</td>
</tr>
<tr>
<td>4:45 p.m.</td>
<td>Board Meeting</td>
</tr>
</tbody>
</table>

## Wednesday, May 5

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30 a.m.—10:00 a.m.</td>
<td>Plan Qualification and Fiduciary Rules</td>
</tr>
<tr>
<td></td>
<td>Dan Slack—Chief Executive Officer, Colorado FPPA</td>
</tr>
<tr>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>10:15 a.m.—11:30 a.m.</td>
<td>Personal Trading Compliance</td>
</tr>
<tr>
<td></td>
<td>Tad Mitchell—President, Compliance11</td>
</tr>
<tr>
<td></td>
<td>Brandon Duck—Internal Audit Director, SWIB</td>
</tr>
</tbody>
</table>
Monday, May 3

Introduction and Logistics
Richard Bendall—APPFA President
Richard Bendall is the Chief of Internal Audit for the Los Angeles County Employees’ Retirement Association (LACERA). He joined LACERA in 1995 as a Senior Internal Auditor and became active within the Association of Public Pension Fund Auditors (APPFA) shortly thereafter. Before becoming APPFA’s current President, Mr. Bendall served two terms as Treasurer and one term as Vice President. He is a Certified Public Accountant (CPA) and Certified Information Systems Auditor (CISA).

Welcome and Opening Comments
Meredith Williams—Executive Director, PERA
Mr. Williams will share his views of the current pension system environment, the challenges that lie ahead, and the role internal audit plays. Through this presentation, attendees will obtain a broader perspective of the part they play in the administration of their public pension fund.

Meredith Williams
Meredith Williams is the Executive Director of the Public Employees’ Retirement of Association of Colorado (Colorado PERA). In that capacity he serves as the Chief Executive Officer of the $32 billion Association, reporting to a 16-member Board of Trustees. The Association serves as the pension fund for approximately 470,000 current and retired Colorado public servants.
Meredith started his professional career as a junior accountant with the Kansas Legislative Division of Post Audit, the audit arm of Kansas government. He served as Kansas’ Legislative Post Auditor from 1983 until his 1991 appointment as Executive Secretary of the Kansas Public Employees Retirement System. He was appointed to his current position at Colorado PERA in March of 2000.
Meredith is a graduate of the University of Kansas with a degree in business administration and economics. He received his law degree in 1975 from Washburn University School of Law, Topeka.

Roll Call of the States
Steve Hayward—APPFA Vice President
A representative from each participating organization will speak to the group about current audit areas, ongoing projects, and recent legislation affecting their pension fund. They will discuss how they get results, overcome obstacles, and prepare for issues in their audit shops. Dialogue will be facilitated to present possible solutions for problems and ongoing issues. The session is designed to prompt networking by identifying peers working on similar projects, and facing similar challenges.

Steve Hayward
Steve Hayward is the Director of Internal Audit for the State Universities Retirement System of Illinois (SURS), which is located in Champaign, Illinois. He has been in this position since 1984. In this capacity he is responsible for directing all internal audits and internal control reviews for all areas of SURS.
Prior to joining SURS in 1984, Mr. Hayward worked in various auditing and accounting positions for McGladrey & Pullen, CPA’s and Growmark.
Mr. Hayward has a Masters degree in Accountancy from the University of Illinois in Champaign. He also has a Bachelors of Science degree in Accounting from Illinois State University in Bloomington.
He is the current Vice-President of the Association of Public Pension Fund Auditors (APPFA). He served as Secretary and Board member for APPFA for over 10 years, and was...
one of four original members that helped form the organization in 1991. In addition, he is a Certified Public Accountant and a member of the Institute of Internal Auditors.

**Fraud Risk Management**  
John Hall—Hall Consulting Inc.  

The Auditor’s Role in Prevention, Detection & Handling

All auditors working in the government must meet the anti fraud expectations of elected officials, career government leaders, and the public. But professional auditors in the public pension arena have a special responsibility to safeguard funds held in trust for those who serve in government. This program will address how to prevent and deter fraud in the public pension fund environment. We will also look at proven ideas on detecting wrongdoing when prevention efforts fail, and how to lead or support fraud incident response initiatives.

Planned topics include:
- The public pension auditor’s role in fraud risk management
- Fraud Prevention: helping management create an anti-fraud environment
- Finding and closing controls gaps that encourage fraud
- How to brainstorm fraud risks in an audit setting
- Fraud discovery skills for auditors
- Public pension fund fraud examples and their impact on audit planning
- Doing battle against override, collusion and other rogue behavior
- Special challenges from third party relationships

**John Hall**

John Hall is the president of Hall Consulting, Inc. Hall Consulting specializes in skills training programs and conference presentations for auditors, management groups, CPAs, and professional associations. John’s personal specialty is business risk mitigation and controls. He also works extensively in the areas of fraud prevention and detection, audits of construction and other contract services, and behavior and leadership skills development for audit professionals.

Mr. Hall has over 30 years of experience as a consultant, speaker and business owner and in public accounting, internal auditing, and corporate management positions. He is a member of the American Institute of CPAs and the Institute of Internal Auditors.

John resides in Vail, Colorado, and is a member of the Board of Trustees and Audit Committee of The Keystone Center in Keystone, Colorado and Washington, DC (www.keystone.org). He also serves on the Board of Governors of the Gift of Adoption Fund headquartered near Chicago (www.giftofadoption.org).

**Dinner**  
**The Fort Restaurant**

The Fort, an award-winning restaurant located in Southwest Denver, is one of the nation’s most recognized establishments and sells more buffalo steaks than any other independently owned restaurant in the country. The Fort opened for business in February 1963 and has been a popular Denver restaurant ever since.

This adobe structure, complete with flickering luminarias and a pinyon pine bonfire in the courtyard, is a perfect reproduction of Bent’s Fort, a Colorado fur-trade center. Buffalo meat and game are the specialties; the elk with huckleberry sauce and tequila-marinated quail are especially good. Intrepid eaters might try the buffalo bone-marrow appetizer, peanut-butter-stuffed jalapeños, or Rocky Mountain oysters. Costumed characters from the fur trade wander the restaurant, playing the mandolin and telling tall tales.

The Fort has been featured in local and national publications such as the New York Times, Sunset, and Bon Appetit. In February 2008 the Fort was featured on the Today Show with Al Roker.

**The Fort Restaurant**  
19192 Highway 8  
Morrison, Colorado 80465  
www.thefort.com
**IIA Standards Changes**

Flerida Rivera-Alsing—Chief of Internal Audit, SBA

**CHANGES IN THE IIA STANDARDS**

The IIA Professional Practices Framework (PPF) was retooled into the International Professional Practices Framework (IPPF) in 2009 and several structure and content changes were introduced. This presentation will discuss the changes and their implications for the internal auditors. Implementation tips on how to comply with the new standards will also be shared.

**Flerida Rivera-Alsing**

Flerida Rivera-Alsing is the Chief of Internal Audit of the SBA and serves as the chief audit executive.

Prior to joining the SBA, Flerida worked for HSBC where she held a number of positions such as Vice President—Treasury Services and Assistant Vice President—Treasury Services. She also has over nine years of public accounting experience working for Ernst & Young and Arthur Andersen. Flerida received her MBA degree from the University of Florida. She is a Certified Internal Auditor, Licensed International Financial Analyst, and Certified Investments and Derivatives Auditor. She also received The Institute of Internal Auditors' Internal Assessor/Validator Qualification Certificate. She currently serves as the Co-Chair of the Best Practices Committee of APPFA.

**Real Estate Risk Assessment**

Bill Porter—VP Internal Audit, Cadillac Fairview Corp

The ownership of commercial real estate creates many risks and challenges for pension plans. Through the experience of the Cadillac Fairview Corporation Limited, participants in this presentation will learn more about these risks and challenges, how these risks are managed and how an understanding of these risks impacts on the development of an internal audit plan.

For more than 50 years, Cadillac Fairview has been leading the way in commercial real estate with innovative design, development and management. It is one of North America’s largest investors, owners and managers of commercial real estate.

Cadillac Fairview focuses on developing and managing high quality office properties and regional shopping centres in Canada and the United States, as well as international investments in real estate companies and investment funds. With a portfolio valued at more than $17 billion and nearly 50 million square feet of leasable space, Cadillac Fairview and its affiliates own and manage 84 properties across North America, including some of Canada's landmark developments, such as Toronto-Dominion Centre, Toronto Eaton Centre, Pacific Centre and Chinook Centre.

Cadillac Fairview is wholly-owned by the Ontario Teachers’ Pension Plan, which invests to secure the retirement income of 284,000 active and retired teachers in Ontario.

**Bill Porter**

Bill Porter is the Vice-President, Internal Audit at the Cadillac Fairview Corporation Limited in Toronto, Canada. Bill has more than 28 years experience in public accounting and internal audit in both private industry and the government sector. Before joining Cadillac Fairview in 2001, Bill was Director, Internal Audit Services with Ernst & Young in Toronto, managing this practice area and providing internal audit services to a broad range of clients in a variety of industries.

Bill received his Chartered Accountant’s designation while working with Coopers & Lybrand. He obtained a Bachelor of Commerce degree from the University of Toronto. Bill is also a Certified Fraud Examiner. He is a member of the Ontario Institute of Chartered Accountants, the Institute of Internal Auditors and the Association of Certified Fraud Examiners.
Enterprise Risk Management
Best Practices Group

ENTERPRISE RISK MANAGEMENT

In the past decade, we have seen relatively stable times, as well as extreme events that shook our economy and the pension fund systems. Many believe that the recent financial crisis has highlighted the need for sound enterprise risk management (ERM) programs.

So, what is ERM? Should APPFA members care whether their pension fund system has an ERM program? These are two of the many questions our panel will answer. The panel will assist attendees in identifying the key elements of ERM, give them a basis to formulate an opinion as to whether their pension fund should have an ERM program, and share their experiences of the pitfalls and successes of implementing ERM programs.

PANEL MEMBERS
Margaret Junker
California Public Employees’ Retirement System

Margaret is currently serving as Interim Chief Auditor for the California Public Employees’ Retirement System (CalPERS), a position she has held since May 2009. Margaret joined CalPERS Office of Audit Services in 1999 following three years with the California Bureau of State Audits. She also has private sector experience in accounting and financial analysis for insurance and high tech manufacturing companies. She has been active with the Sacramento Chapter of the Institute of Internal Auditors and was chapter treasurer for four years. Margaret has made a number of presentations to the local IIA chapter, and has been instructor for the chapter’s Certified Internal Auditor exam review courses.

Margaret holds an MBA from Golden Gate University and a Bachelor of Science in Business Administration from College of Notre Dame in Belmont, California. She also holds the Certified Public Accountant, Certified Internal Auditor, Certified Information Systems Auditor, and Certified Investments and Derivatives Auditor designations.

Jay LeBlanc
Teachers Retirement System of Texas

Jay is the ERM Program Manager for the Teachers Retirement System of Texas (TRS). Jay joined TRS of Texas in April 2007 for the purpose of Enterprise Risk Management (ERM) implementation. Since 2003, Jay’s primary responsibility and focus has been ERM and he currently manages the TRS ERM program. Some of TRS’ ERM successes include, bottom-up and top down assessments, the formation of an internal risk oversight committee, recruiting and training ERM team members and categorization of risks as reported to the Board of Trustees.

Prior to joining TRS, Jay was a Senior Internal Auditor at the Texas Comptroller’s Office for 8 ½ years. The last three years at the Comptroller’s Office, Jay was instrumental in the ERM program implementation. In addition to ERM experience, Jay has 16 years of auditing experience in the fields of oil & gas, real estate, hospitality, finance, health care, treasury, and state government. Prior to Jay’s auditing career, he worked nine years in corporate aviation with Tenneco, Inc., and Petroleum Helicopters.

Jay graduated from Texas A&M University in College Station, earning a B.B.A in Accounting. He is a Certified Fraud Examiner and holds a Certification in Control Self-Assessment. Jay spends most of his free time with his family, doing home projects, reading and motorcycling.

Peter Maher
Ontario Teachers’ Pension Plan

Peter is the Vice-President, Audit Services at the Ontario Teachers’ Pension Plan in Toronto, Canada. Peter has more than 30 years experience in the financial services industry, initially working with Bank of Montreal in both financial and general management positions. Before joining Ontario Teachers’ in 1997, Peter was Director of Examinations with the federal banking regulator where he was responsible for the regulatory oversight of the largest Canadian banks.

Peter received his Chartered Accountant’s designation while working with PriceWaterhouse. He obtained a Bachelor of Commerce degree from Loyola College in Montreal. He is a member of the Ontario Institute of Chartered Accountants, the Association of Public Pension Fund Auditors, the Institute of Internal Auditors and the Information Systems Audit and Control Association.
Corporate Governance

David Maurek—Former Chief Operating Officer—Colorado PERA

The Value of Good Pension Governance

Through this presentation, the attendees will identify the objectives and key components of a system of governance, learn approaches to establish and maintain such a system, and learn the value pension fund administrators place on a well functioning system of governance.

David Maurek

David is the recently retired Chief Operating Officer of the Public Employees’ Retirement Association of Colorado (Colorado PERA). In that role, he was responsible for managing all aspects of member contacts and benefit administration. He was also responsible for providing direction and leadership in the development and implementation of PERA’s operating policies and goals, in concert with PERA’s Law, Rules and Board approved policies. He previously served as Manager of Strategy and Innovation for four years, responsible for the coordination of PERA’s strategic planning efforts and acted as the focal point for all special projects. He also directed the Internal Audit function of PERA for 15 years.

Relevant professional experience:

• Assisted in the development of, and maintained after Board approval of, the initial Board governance structure at Colorado PERA
• Coordinated and conducted operational reviews and risk-based internal audits that included the adequacy of internal controls over investments, benefit systems, accounting systems and system development
• Evaluated business continuity structure, operational competence expected in an emergency and proposed construction of stand alone business recovery facility
• Established and supported professional development opportunities for public pension fund internal auditors through leadership roles in the Association of Public Pension Fund Auditors (APPFA) which he co-founded

Moderator

Florida Rivera-Alsing

State Board of Administration of Florida (SBA)

Florida is the Chief of Internal Audit of the SBA and serves as the chief audit executive. Prior to joining the SBA, Florida worked for HSBC where she held a number of positions such as Vice President–Treasury Services and Assistant Vice President–Treasury Services. She also has over nine years of public accounting experience working for Ernst & Young and Arthur Andersen. Florida received her MBA degree from the University of Florida. She is a Certified Internal Auditor, Licensed International Financial Analyst, and Certified Investments and Derivatives Auditor. She also received The Institute of Internal Auditors’ Internal Assessor/Validator Qualification Certificate. She currently serves as the Co-Chair of the Best Practices Committee of APPFA.
Wednesday, May 5

Plan Qualification and Fiduciary Rules
Dan Slack—Chief Executive Officer, Colorado Fire and Police Pension Association

And now for something completely different...¹

The first part of this session will be a primer on general plan qualification issues, laying out the “black letter” rules regarding maintaining your plan’s qualified status with the Internal Revenue Service. Then, for something completely different, the second half of the session will focus on a discussion of the legal concept of fiduciary duty.

¹ With apologies to Monty Python’s Flying Circus.

Dan M. Slack

Dan Slack has been the Chief Executive Officer of the Fire & Police Pension Association of Colorado (FPPA) since December 2008. FPPA administers retirement and disability benefits for municipal police officer and fire fighters throughout the State of Colorado. FPPA has defined benefit, defined contribution, hybrid and 457 plans for the benefit of its members.

He served as the Executive Director of the State Universities Retirement System of Illinois (SURS) from December 2005 through December 2008, as Associate Executive Director from 2003 until December 2005, and as General Counsel from September 1998 through April 2006. From 1991 until joining SURS, he provided legal advice to SURS as outside counsel.

Dan was a partner in the Illinois law firm of Thomas, Mamer & Haughey before joining SURS, where he practiced in the areas of qualified plans, estate planning and real estate. Prior to joining Thomas, Mamer & Haughey, he was an Assistant Attorney General for the State of Illinois, during which time he also served as the director of one of the regional offices.

Dan is Vice Chair of the Investment Committee of the City of Centennial, Colorado. He served on the Executive Board of the National Association of Public Pension Attorneys from 2003 through 2005, and has served on the boards and committees of local charities.

Dan has two degrees from the University of Illinois: a Bachelor of Arts degree in Anthropology, 1978, and a Juris Doctor, 1983. Between college and law school, he worked in the shipping business in New Orleans.

In his spare time, Dan enjoys walking the dog, trail running, and mountaineering.

Personal Trading Compliance
Tad Mitchell–President, Compliance11
Brandon Duck–Internal Audit Director, SWIB

Personal Trading: Policy, Compliance, and Automation

In 2009 the State of Wisconsin Investment Board (SWIB) replaced its legacy pre-trade compliance system with Compliance11. This presentation will explore regulatory requirements and CFA Institute guidelines for personal trading. It will also provide attendees an overview of how SWIB designed its system to manage and monitor personal trades along with a demonstration of the Compliance11 system led by the President and Chief Operating Officer of Compliance11.

Brandon Duck

Brandon Duck has been the Internal Audit Director at the State of Wisconsin Investment Board since January 2005. Before moving to Wisconsin he was the CFO and Compliance Officer for the Texas Treasury Safekeeping Trust Company (TTSTC). He began his career at KPMG in Chicago where he held several positions including Audit Manager for the Investment Management Services group.

Brandon received his MBA degree from the University of Wisconsin – Madison. He is a Certified Public Accountant, Certified Internal Auditor and Certified Investments and Derivatives Auditor.

Tad Mitchell

Tad Mitchell has been the President and Chief Operating Officer of Compliance11, Inc. since 2008 where he has lead product design and development since he joined the company in 2007. Tad has eighteen years of software development experience at the following companies: CNA Insurance (lead requirements gathering process improvements), Ernst & Young/Capgemini (project manager at Chicago
Advanced Development Center), and IBM (developer in Rochester, Minnesota laboratory).

Mr. Mitchell received his MBA degree from Brigham Young University and his BS in Computer Science from Brigham Young University.
The Association of Public Pension Funds Auditors (APPFA) Professional Development conference is a group-live conference designed to further enhance participants’ auditing skills and provide a forum for the exchange of ideas and concepts. Attendees should have a basic knowledge of accounting and auditing procedures, practices, and theory. There is no experience requirement and no advance preparation in needed.

Participants attending this seminar will receive an attendance certificate following the completion of this program. Auditing and accounting professionals may qualify for a total of 18 hours of Continuing Professional Education (CPE) credits by attending this conference, which is designed to comply with the American Institute of Certified Public Accountants’ Statement on CPE Standards.

APPFA is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors, State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417, Web site www.nasba.org
Registration and Hotel Information

Registration Information
The conference registration form and fee of $200.00 must be received by April 11, 2010 to reserve your place at the conference. See registration form, which is located on the APPFA website, for details. The registration fee includes all materials, lunches, breaks and dinner at the The Fort restaurant on Monday evening.

Business casual attire is appropriate. Please be aware that the temperature in the meeting room may be cool so a jacket is recommended. Also, outside temperatures in Denver in early May average between 40 and 66 degrees Fahrenheit.

Refund Policy
Refunds are available if a written cancellation notice is received 10 days before the conference. Refunds will not be issued after that date. For more information regarding administrative policies, please visit our website at www.appfa.org

Complaint Policy
Complaints regarding conference or other matters must be written and should be sent to APPFA, PO Box 156, Wynantskill, NY 12198. Complaints will be forwarded to the President who will decide how to address the complaint. The complaint must contain the name, address, phone number and e-mail address of the person submitting the complaint. All complaints submitted will receive a written response.

Hotel Information
The conference will be held at the Embassy Suites, Denver Tech Center. The hotel is located in the Denver Tech Center just east of I25 and Arapahoe Road. Embassy Suites Hotel 10250 East Costilla Avenuel, Centennial, CO 80122 (800) 362-2779 www.embassysuites.com

The single or double occupancy rate for a standard room will be $119.00. Room rates do not include applicable state and local taxes which are extra.

Please make your room reservations by Sunday, April 11 by calling 1-800-EMBASSY and request the APPFA discount rate or call the hotel directly at 303-705-5900 make sure to reference the three letter code APP when making your reservation.