

## Minutes

### Meeting of the Audit Committee Louisiana Insurance Guaranty Association

June 26, 2014

The meeting of the Audit Committee was held on June 26, 2014 at 9:00 a.m., at the Louisiana Insurance Guaranty Association, located at 2142 Quail Run, Baton Rouge, Louisiana 70808. The meeting was publicly noticed in accordance with the Open Meetings Law.

#### Members present constituting a quorum:

Kristin Wall (Committee Chair)  
Keith D. Thompson  
David A. Ross

Louisiana Workers' Compensation Corporation  
Liberty Mutual Insurance Companies  
State Farm Insurance Companies

#### Others Present:

William D. Hughs, III  
John Wells  
Norman Reese  
Heather Landry  
Lacey Anderson  
Keri Dupont

Appointee of the Speaker of the House  
Director of Operations, LIGA  
Director of Claims and Litigation, LIGA  
(Acting) LIGA General Counsel, Milling Benson Woodward, LLP  
Administrative Assistant, LIGA  
Administrative Assistant, Milling Benson Woodward, LLP

#### *Call to Order by the Chairperson of LIGA Audit Committee*

The meeting was called to order by Ms. Wall at 9:00 a.m.

#### *Quorum*

Ms. Wall then advised there was a quorum present.

#### *Approval of March 27, 2014 Audit Committee Minutes*

Ms. Wall stated the next item on the agenda was the Approval of the March 27, 2014 Audit Committee Minutes.

**A motion was made by Mr. Ross and seconded by Mr. Thompson to approve the March 27, 2014 Audit Committee Minutes. Objections were called for. There being none, a vote was taken and the motion carried.**

#### *Adopt a Committee Charter*

Ms. Wall advised there were three different Audit Committee Charter examples in their books. She asked Mr. Wells to explain what they were discussing about each one.

Mr. Wells described the three different charter examples obtained. After he and the committee discussed the charter examples and made recommendations of how they thought the charter for LIGA should read, Mr. Wells stated he would work with Ms. Laborde in preparing a new draft of the Audit Committee charter with the recommended changes.

#### *Old Business*

Ms. Wall called for any Old Business. Hearing none, she called for any New Business.

#### *New Business*

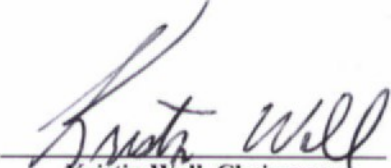
Mr. Wells reported on a working group meeting that was held at LIGA two weeks prior, with Jay Hoppe from LWCC and Bryan Poirrier from LUBA. He added Bruce Eckert from Farm Bureau was not able to attend but he added he should be at their next meeting.

Mr. Wells stated he provided the group with a binder of LIGA's internal controls; the Plan of Operation, the Policies and Procedures Manual, the departmental directive of how LIGA is supposed to report and a copy of LIGA's financials. He asked them if the financial controls that were in place at LIGA adequate for LIGA's staff size, activity volume and asset base; what LIGA could do to improve their financial controls and if they should they engage in a control expert or did they feel they had sufficient understanding, knowledge and background to advise the audit committee with regards to their internal controls.

Mr. Wells stated in regards to the question of if LIGA's controls were adequate the auditors stated it seemed as though they were adequate but they would like to see the controls in action so they could pick up on anything that he may not see or think about when they are written down. He added after the working group came to see the controls in action he would then ask one of them to come to the next committee meeting and report on what they found and could improve on.

*Adjournment*

The meeting was adjourned at 9:40 a.m.

  
Kristin Wall, Chairperson

*These Minutes were written by Kerri Dupont, Administrative Assistant, Milling Benson Woodward, LLP, from notes taken during the Board meeting. Changes and additions to the Minutes were made by Lacey Anderson, Administrative Assistant, LIGA, from a recording on the FTS Reporter and notes during the Board Meeting.*