

**County of Orange Treasury Oversight Committee  
Annual Report to the Board of Supervisors  
For the Period January 1, 2012 to December 31, 2012**

**Establishment of Board**

The Board of Supervisors established the Treasury Oversight Committee (Committee) on December 19, 1995 by Resolution No. 95-946 in accordance with the California Government Code Article 6 of Division 2 of Title 3, Sections 27130-27137 (Article 6). The Committee Structure approved by the Board of Supervisors consists of five members, the County Auditor-Controller or designee, the County Executive Officer or designee, the County Superintendent of Schools or designee, and two members of the public. The current members of the Committee are as follows:

<u>Name</u>	<u>Member Type</u>
Bob Franz (Vice Chair)	Interim County Executive Officer
Jan Grimes	Chief Deputy, Auditor-Controller
Al Mijares	County Superintendent of Schools
William "Andy" Dunn (Chair)	Public Member
Laura Parisi	Public Member*

\*Appointed to her first term 10/02/2012

**Board Activities**

During 2012, the Committee held four meetings. All meetings were open to the public as required by Government Code 54950 and held on the following dates:

January 25                  April 25                  July 25                  October 31

As required under the Article 6 and the Treasury Oversight Committee Bylaws and Rules of Procedures (Bylaws), the committee has:

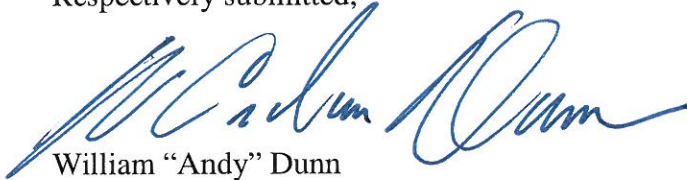
- Reviewed and monitored the annual Investment Policy Statement (IPS) ensuring that it included all items under Rule 27 (a) to (h) in the Bylaws
- Caused an annual audit of the Treasurer's compliance with Article 6
- Not directed individual investment decisions, select advisors, brokers, dealers or impinged on the day-to-day operations of the Treasurer
- Reviewed, discussed, and approved changes and amendments to the Bylaws by the last meeting of the calendar year for presentation to the Board of Supervisors
- Ensured that each member has completed the state mandated conflict of interest form (Form 700), signed a Certificate of Compliance, and completed state mandated ethics training every two years

The major activities during the year consisted of: approving the 2011 Annual Report to the Board of Supervisors; reviewing changes to the IPS to allow for additional safety and diversity for pool participants; receiving the review of the treasury administrative fee for fiscal years 2009/2010 and 2010/2011; reviewing the 2012 quarterly Committee Compliance Summary; reviewing six distinct audit reports; approving a two year extension to the Internal Audit Department for the required annual audit; receiving information from staff on liquidity alternatives for the pooled funds; adding a new public member; and updating the Bylaws.

During 2012, the Treasurer reported no instances of non-compliance with the IPS or internal policies.

It is the opinion of the Committee that during the year 2012 the Treasurer maintained an acceptable level of compliance with the statutory requirements contained in Article 6 and as further required by County Resolution No. 95-946, clause 4(c).

Respectively submitted,

A handwritten signature in blue ink, appearing to read "William 'Andy' Dunn". The signature is fluid and cursive, with a long horizontal stroke at the end.

William "Andy" Dunn  
Chair – Treasury Oversight Committee

Cc: Shari L. Freidenrich, County Treasurer