

Assurance Report

1627 PRISMA

June 30, 2016

Cindy Rougeou, Executive Director
The LASERS Audit Committee

EXECUTIVE SUMMARY

Prisma fulfills their contractual and fiduciary duties to LASERS. The reviewed policies, procedures, and controls that Prisma has put in place are effective.

This review included a site visit to Prisma's New York, New York office. LASERS audit staff interacted with various members of the Prisma team and all personnel were professional and courteous. Prisma fulfilled all requests for information related to LASERS investments, including coordinating meetings for all key personnel and Bank of New York Mellon, to meet with us during the site visit.

There were no issues identified during this review.

BACKGROUND

This was a planned engagement on the fiscal year end 2016 Audit Plan. The fieldwork for this engagement was completed on June 29, 2016.

LASERS has utilized the services of Prisma since July of 2012. Prisma manages approximately \$227.7 million in an alternative assets fund of fund strategy on behalf of LASERS as of May 31, 2016.

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Virginia Burton
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Beverly Hodges
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Lorry Simmons Trotter

Cindy Rougeou, Executive Director

SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of this engagement was to review the activities of Prisma for the contract period currently in effect.

The primary objectives of this engagement were to determine if:

- Prisma maintains adequate internal controls and LASERS assets are properly safeguarded, accounted for, and managed.
- The contract is current, complete, authorized, and complied with.
- Prisma's policies and procedures in regards to the management of LASERS investments are effective.
- Prisma's backup procedures and contingency plans allow for the continued active management of LASERS funds.

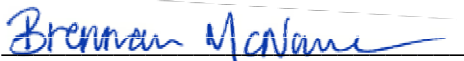
Procedures used to complete this engagement included:

- Review of documentation provided by Prisma and LASERS pension consultant.
- Meeting with key personnel and staff to identify controls and gain and understanding of key processes.
- Observation of Prisma's facilities and on-site controls where possible.
- Research and various alternative testing methods were performed to achieve the engagement objectives.

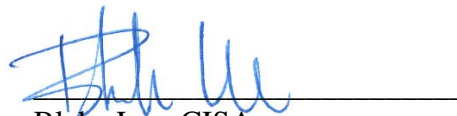
This engagement was conducted in accordance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

FOLLOW-UP

A follow-up to this engagement is not necessary.



Brennan McNamee
Auditor



Blake Lee, CISA
Audit Services Manager



Ryan Babin, CIA, CISA
Audit Services Director

Cc: Kenneth Eagle, Prisma
Helenmarie Rodgers, Prisma
Maris LeBlanc
Trey Boudreaux
Bobby Beale
Artie Fillastre
Darren Fournierat