

Office of Audit Services Audit Plan

FY 2020-21

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*Primary Division is identified for each auditable activity; additional Divisions may be impacted.

ACTUARIAL OFFICE

Coordination of Parallel Valuation and Certification Services

Coordinate activities related to contracted parallel valuation and certification services for the Judges Retirement System (JRS), JRS II, Legislators' Retirement System, and 1959 Survivor Benefit Program.

CUSTOMER SERVICES & SUPPORT

Employer Compliance Reviews

Evaluate employer compliance with applicable sections of the Public Employees' Retirement Law and prescribed reporting and enrollment procedures.

Finding Validation

Monitor the resolution of outstanding employer audit findings.

Participant Record Maintenance (PRM)

Evaluate the effectiveness of controls over PRM within myCalPERS.

(Impacted Divisions: Employer Account Management Division/Member Account Management Division/Retirement Benefits Services Division).

Disability & Survivor Benefits Division

Death Benefit Overpayment Receivables (finalize prior year)

Evaluate the effectiveness of controls over death benefit overpayment receivables.

Employer Account Management Division

Post Retirement Earning Limits Program

Evaluate the effectiveness of controls over the post retirement earning limits program.

Retired Annuitant Employer Fees

Evaluate the effectiveness of controls over retired annuitant employer fees.

Member Account Management Division

Service Credit Purchase Costing and Elections (finalize prior year)

Evaluate the effectiveness of controls over the service credit purchase costing and elections process.

Retirement Benefits Services Division

Benefit Calculations (finalize prior year)

Evaluate the effectiveness of controls over the benefit calculations.

Benefit Calculation Overrides

Evaluate the effectiveness of user access controls over benefit calculation overrides.

Retired Annuitant Reinstatement Calculations

Evaluate the effectiveness of controls over reinstatement calculations for unlawfully employed retired annuitants.

ENTERPRISE COMPLIANCE

Compliance Program

Evaluate the effectiveness of the compliance function.

FINANCIAL OFFICE

Enterprise Risk Management Division

Enterprise Risk Management Program

Evaluate the effectiveness of the enterprise risk management function.

Financial Reporting & Accounting Services

Special Service Request Process (finalize prior year)

Evaluate the effectiveness of controls over the special service request process.

Treasury Management

Evaluate the effectiveness of controls over the cash management process for investment activities.

Request for Proposal (RFP) for Independent Auditor

Assist Financial Reporting & Accounting Services with RFP for Independent Auditor.

GENERAL COUNSEL OFFICE

Information Security Office

Data Privacy (HIPAA) (finalize prior year)

Evaluate compliance with HIPAA data privacy requirements.

Information Asset Management

Evaluate the effectiveness of controls over information asset management.

Non-Disclosure Agreement (NDA) Process

Evaluate the effectiveness of controls over the NDA Process.

HEALTH POLICY & BENEFITS

Health Account Management Division

Parent-Child Relationship Dependent Enrollment – Retirees (finalize prior year)

Evaluate the effectiveness of controls over the dependent enrollment process for parent-child relationship.

Public Agency Billing (finalize prior year)

Evaluate the effectiveness of controls over Public Agency billing process.

HEALTH POLICY & BENEFITS (CONTINUED)

Health Account Management Division

Dependent Eligibility Verification for Eligible Family Members

Evaluate the effectiveness of controls over the Dependent Eligibility Verification process for eligible family members.

Health Plan Research & Administration Division

Contract Administration Oversight for Association Plans (finalize prior year)

Evaluate the effectiveness of controls over the contract administration oversight for association plans.

Contract Administration Oversight for Health Maintenance Organizations

Evaluate the effectiveness of controls over the contract administration oversight for Health Maintenance Organizations.

Health Plan Contract

Evaluate the health plan contractor's compliance with specific provisions of its agreement with CalPERS.

INVESTMENT OFFICE

Investment Performance Reporting (finalize prior year)

Evaluate the controls over the performance reporting of investment returns.

Real Assets – External Manager (finalize prior year)

Evaluate the effectiveness of controls over asset transfers between portfolios or investment managers.

Target Operating Model (TOM) Reports (finalize prior year)

Evaluate the effectiveness of controls over TOM reports.

Capital Call Process

Evaluate the controls over the capital call process for the public and private asset classes.

Contract Compliance – Custodian

Evaluate Custodian compliance with specific provisions of its agreement with CalPERS.

Contract Management – Custodian

Evaluate the investment offices oversight of CalPERS Custodian contract.

Expense Tracking

Evaluate the effectiveness of controls over investment office expense tracking.

External Vendor

Evaluate the Private Equity service provider's compliance with specific provisions of its agreement with CalPERS.

INVESTMENT OFFICE (CONTINUED)

Foreign Exchange

Evaluate the controls over the Foreign Exchange Program.

Investment Trading Management Systems

Evaluate the controls over the investment trading management systems for Fixed Income and Public Equities.

Trading Practices

Evaluate the controls over investment trading practices and operations for Fixed Income and Public Equity.

OPERATIONS & TECHNOLOGY

Human Resources Division

Paid Family Leave (finalize prior year)

Evaluate the effectiveness of controls over Paid Family Leave benefits for eligible CalPERS employees.

Payroll (finalize prior year)

Evaluate the effectiveness of controls over payroll.

Parent-Child Relationship Dependent Enrollment – CalPERS Employees (finalize prior year)

Evaluate the effectiveness of controls over dependent enrollment process for parent-child relationship.

PeopleSoft (PS) HCM User Access Management

Evaluate the effectiveness of controls over the user access management for PS HCM.

Information Technology Services Branch

Patch Management (finalize prior year)

Evaluate the effectiveness of controls over the patch management process.

Configuration Management

Evaluate the effectiveness of controls over the configuration management process.

IT Asset Management (finalize prior year)

Evaluate the effectiveness of controls over the inventory of IT assets.

Release Management

Evaluate the effectiveness of controls over the release management process.

Business Intelligence

Evaluate the effectiveness of controls over the use of business intelligence.

OPERATIONS & TECHNOLOGY (CONTINUED)

Information Technology Services Branch

Information Technology (IT) Governance

Evaluate the effectiveness of controls over the IT governance framework.

Remote Access

Evaluate the effectiveness of controls over the implementation of the telework policy.

Operations Support Services Division

Business Continuity Management (finalize prior year)

Evaluate the effectiveness of controls over the business continuity process.

CalPERS Parking & Ride Share Program

Evaluate the effectiveness of controls over CalPERS Parking & Ride Share Program.

Master Vendor Files

Evaluate the effectiveness of controls over establishing and maintaining Master Vendor Files.

Voyager Fuel Card Program

Evaluate the effectiveness of controls over the administration of the Voyager Fuel Cards.

MULTI-DIVISIONAL PROJECTS/AUDITS

Vacation and Annual Leave Balances

Evaluate the effectiveness of controls over vacation and annual leave balances for CalPERS employees.

Enterprise-wide Risk Assessment and Audit Planning

Conduct risk assessment and prepare a risk-based audit plan for FY 2020-21 (also include projected staff's hours spent on developing risk summary for each project).

Consulting Engagements

Perform consulting engagements based on CalPERS management requests.

Quarterly Status Report/Internal Finding Validation

Monitor audit progress and resolution of outstanding audit results and prepare quarterly status reports to the Risk & Audit Committee.