Office of Audit Services Audit Plan

FY 2025-26

CalPERS

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AUDIT PLAN BY CALPERS BRANCH/DIVISION/ACTIVITY*

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

CUSTOMER SERVICES & SUPPORT

Reciprocity (Advisory)
Evaluate the effectiveness of controls over the member reciprocity process.

Employer Account Management Division

MyCalPERS Appointments (carried over from the prior year)
Evaluate the effectiveness of controls over the appointments process within myCalPERS.

Member Account Management Division

Member Refunds
Evaluate the effectiveness of controls over the member refund process.

FINANCIAL OFFICE

Financial Reporting and Accounting Services

Travel Policies
Evaluate the effectiveness of controls over CalPERS travel policies.

Virtual Card Number Accounts
Evaluate the effectiveness of controls over Virtual Card Number accounts.

GENERAL COUNSEL OFFICE

Information Security Office

Data Loss Prevention (carried over from prior year)
Evaluate the effectiveness of controls over the data loss prevention process.

HEALTH POLICY AND BENEFITS BRANCH

Health Account Management Division

Health Enrollments
Evaluate the effectiveness of controls over the health enrollment process for retirees.

OPERATIONS & TECHNOLOGY

Information Technology Services Branch

System Enhancement Request[1] (finalize prior year)
Evaluate the effectiveness of controls over the Systems Enhancement Request process.

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[1] This audit was originally listed in the Fiscal Year 2024-25 audit plan as System Change Request. ITSB has now renamed this process.

Operations Support Services Division

Board Reporting for Contracts and Subscriptions
Evaluate the effectiveness of controls over required board reporting for contracts and subscriptions.

Physical Security
Evaluate the effectiveness of controls over physical security at CalPERS headquarters buildings.

Board Election (Advisory)
Serve as an independent observer during board election activities.

Human Resources Division

Reasonable Accommodations (finalize prior year)
Evaluate the effectiveness of controls over the reasonable accommodations process.

Recruitment
Evaluate the effectiveness of controls over the recruitment process.

INVESTMENT OFFICE

Global Equity and Trading (carried over from the prior year)
Evaluate the effectiveness of controls over global equity and trading processes.

Investment Operations and Accounting
Evaluate the effectiveness of controls over investment operations and accounting.

Private Equity and Operations (carried over from the prior year)
Evaluate the effectiveness of controls over private equity and operations.

MULTIPLE BRANCHES

Conflicts of Interest (finalize prior year)
Evaluate the effectiveness of controls over conflicts of interest.
(Impacted divisions: Enterprise Compliance, Risk & Governance Office, and Investment Office)

Employee Receivables (finalize prior year)
Evaluate the effectiveness of controls in the employee receivables process.
(Impacted divisions: Human Resource Services Division and Financial Reporting & Accounting Services Division)

Employer Compliance Reviews
Evaluate employer compliance with reporting and enrollment requirements as prescribed by the Public Employees' Retirement Law and Public Employees' Medical and Hospital Care Act.

Liquidity and Treasury Management
Evaluate the effectiveness of controls over liquidity and treasury management.
(Impacted divisions: Investment Office and Financial Reporting & Accounting Services Division)

MyCalPERS Employer User Access
Evaluate the effectiveness of controls over the myCalPERS employer user access process.
(Impacted divisions: Employer Account Management Division, Health Account Management Division, and Pension Contracts & Prefunding Program)

Payroll Reporting
Evaluate the effectiveness of controls over the state payroll report process.
(Impacted divisions: Employer Account Management Division and Enterprise Solutions Development Division.)

Third-party Vendor Management: Non-Disclosure Agreements
Evaluate the effectiveness of controls over the third-party non-disclosure agreement process.
(Impacted divisions: Operations Support Services Division and Information Security Office)

Third-party Vendor Management: System and Organization Controls (SOC) 2 review process.
Evaluate the effectiveness of controls of the third-party SOC 2 review process.
(Impacted Divisions: Operations Support Services Division and Information Security Office)

INTERNAL AUDIT PROJECTS

Enterprise-wide Risk Assessment and Audit Planning
Conduct risk assessment and prepare a risk-based audit plan for FY 2026-27.

Finding Validations and Reporting
Monitor audit progress and resolution of outstanding audit findings and prepare monthly/quarterly status reports to CalPERS management.

Quality Assurance and Improvement Program
Perform annual internal assessment of OFAS audit activities against the Global Internal Audit Standards to continuously improve the internal audit function.