



Risk and Audit Committee

Agenda Item 5c

June 17, 2025

Item Name: Independent Auditor's Annual Plan

Program: Financial Reporting and Accounting Services Division

Item Type: Action

Recommendation

Accept the CalPERS Board of Administration's Independent Financial Statement Auditor's Annual Audit Service Plan for the fiscal year ending June 30, 2025 (FY 2024-25), including the annual financial statement audit and Governmental Accounting Standard Board (GASB) Statement No. 68 and 75 audits.

Executive Summary

This agenda item presents the Independent Auditor's Annual Plan to the Risk and Audit Committee (RAC).

Strategic Plan

This item is not a specific product of the strategic plan.

Background

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. The independent auditor is responsible for planning and performing the audit to obtain reasonable assurance that financial statements are fairly stated in all material respects. The independent auditor will perform the FY 2024-25 audit of the CalPERS financial statements and GASB Statements No. 68 and 75.

Analysis

The independent auditor will present their annual audit plan to the RAC to provide information on the approach, scope, objectives, and deliverables, and enable the committee to ask questions. At the conclusion of the audit, the independent auditor will report the results of the audit and express opinions on the respective financial statements of the fiduciary and proprietary activities at the RAC meeting.

Budget and Fiscal Impacts

Funding was already identified within budgetary resources and is consistent with the board approved contract with the auditor.

Benefits and Risks

Presentation and discussion of the Independent Auditor's Annual Plan will enhance the communication and understanding between the auditor and the RAC. It will also enhance the RAC's oversight of the external audit process consistent with its delegated authority and Government Code section 20228. The risk of not presenting and discussing the Independent Auditor's Annual Plan is reduced communication and understanding between the auditor and the RAC as well as decreased ability to exercise oversight of the external audit process.

Attachments

Attachment 1 – California Public Employees' Retirement System Audit Plan, Year Ending June 30, 2025

Beliz Chappuie
Chief Auditor
Office of Audit Services

Michele Nix
Chief Financial Officer

Marcie Frost
Chief Executive Officer