

Office of Audit Services' Annual Audit Plan

Fiscal Year 2026-27

June 2026



Table of Contents

Audit Plan by CalPERS Branch/Division/Activity	1
Customer Services & Support	1
Disability & Survivor Benefits Division	1
Retirement Benefit Services Division	1
Member Account Management Division	1
Financial Office	1
Financial Reporting & Accounting Services	1
General Counsel's Office	2
Enterprise Compliance, Risk, & Governance	2
Information Security Office	2
Health Policy and Benefits Branch	2
Health Account Management Division	2
Operations & Technology	2
Information Technology Services Branch	2
Operations Support Services Division	2
Strategy, Projects & Data Analytics Services	3
Investment Office	3
Multiple Branches	3
Internal Audit Projects	4

Audit Plan by CalPERS Branch/Division/Activity¹

Customer Services & Support

myCalPERS Employer User Access (finalize prior year)

Evaluate the effectiveness of controls over the myCalPERS employer user access process.

Disability & Survivor Benefits Division

Disability Retirement

To evaluate the adequacy and effectiveness of controls over the disability retirement process.

Retirement Benefit Services Division

Community Property

To evaluate the adequacy and effectiveness of controls over the community property process.

Inactive Member Accounts

To evaluate the adequacy and effectiveness of controls over inactive member accounts.

Member Account Management Division

Member Refunds (carried over from prior year)

To evaluate the adequacy and effectiveness of controls over the member refund process.

Financial Office

Financial Reporting & Accounting Services

Accounts Payable

To evaluate the adequacy and effectiveness of controls over accounts payable.

Travel Policies (finalize from prior year)

To evaluate the adequacy and effectiveness of controls over CalPERS travel policies.

Virtual Card Number Accounts (carried over from prior year)

To evaluate the adequacy and effectiveness of controls over Virtual Card Number accounts.

¹ The primary division(s) are identified for each audit; however, additional divisions may be impacted.

General Counsel's Office

Enterprise Compliance, Risk, & Governance

Ethics Helpline Complaint Process

To evaluate the adequacy and effectiveness of controls over the ethics helpline complaint process.

Information Security Office

Cybersecurity

To evaluate the adequacy and effectiveness of controls over cybersecurity.

Health Policy and Benefits Branch

Health Account Management Division

Health Enrollments (finalize prior year)

To evaluate the adequacy and effectiveness of controls over the health enrollment process for retirees.

Operations & Technology

Consulting Services

Evaluate the adequacy and effectiveness of controls over the use of consulting services.

Information Technology Services Branch

Enterprise Architecture Governance

To evaluate the efficiency and effectiveness of enterprise architecture governance.

Operations Support Services Division

Board Reporting for Contracts and Subscriptions (carried over from prior year)

Evaluate the adequacy and effectiveness of controls over required board reporting for contracts and subscriptions.

Physical Security (carried over from prior year)

Evaluate the adequacy and effectiveness of controls over physical security at CalPERS headquarters buildings.

Board Election (Advisory)

Serve as an independent observer during board election activities.

Strategy, Projects & Data Analytics Services

Strategic Planning (finalize prior year)

Evaluate the effectiveness of the enterprise strategic planning 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 (carried over from the prior year)

Evaluate the adequacy and effectiveness of controls over investment operations and accounting.

Private Equity and Operations (finalize prior year)

Evaluate the effectiveness of controls over private equity and operations.

Investment Office Governance

Evaluate the efficiency and effectiveness of the Investment Office's governance framework and structure.

Multiple Branches

Artificial Intelligence Governance

To evaluate the adequacy and effectiveness of the artificial intelligence governance structure.

(Impacted divisions: Information Security Office and Information Technology Services Branch)

Conflicts of Interest (finalize prior year)

Evaluate the effectiveness of controls over conflicts of interest.

(Impacted divisions: Enterprise Compliance, Risk, and Governance Office and Investment Office)

Employee Receivables (finalize prior year)

Evaluate the effectiveness of controls in the employee receivables process.

(Impacted divisions: Human Resources 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, Public Employees' Pension Reform Act, and Public Employees' Medical and Hospital Care Act.

Payroll Reporting (finalize prior year)

Evaluate the adequacy and effectiveness of controls over the state payroll report process.

(Impacted divisions: Employer Account Management Division and Enterprise Solutions Development Division)

Internal Audit Projects

Enterprise-wide Risk Assessment and Audit Planning

Conduct risk assessment and prepare a risk-based audit plan for fiscal year 2027-28.

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.

Training Development Program

Develop and implement an in-house training development program to align with the OFAS competency framework and professional requirements.

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