Office of Audit Services Audit Plan

FY 2022-23

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

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 the revocation of PRM user access for transferred team members. (Impacted Divisions: Employer Account Management Division/Member Account Management Division/Retirement Benefit Services Division)

Disability & Survivor Benefits Division

Disability Retirement (finalize prior year)
Evaluate the effectiveness of controls over the disability retirement process.

Beneficiaries of Death/Survivor Benefits
Evaluate the effectiveness of controls over the determination of beneficiaries of death/survivor benefits.

Death/Survivor Benefits Calculations
Evaluate the effectiveness of controls over the calculation of death/survivor benefits.

Employer Account Management Division

Special Compensation and Reporting (finalize prior year)
Evaluate the effectiveness of controls over special compensation and reporting.

Retirement Benefit Services Division

Community Property Program (finalize prior year)
Evaluate the effectiveness of controls over the Community Property Program.

Unclaimed Benefits and Dormant Accounts (finalize prior year)
Evaluate the effectiveness of controls over unclaimed benefits and dormant accounts.

Benefit Calculations
Evaluate the effectiveness of controls over benefit calculations.

Retirement Estimates
Evaluate the effectiveness of controls over the retirement estimate process.

ENTERPRISE COMPLIANCE

Enterprise Compliance Policy & Program

Conflict of Interest (finalize prior year)
Evaluate the effectiveness of controls over CalPERS conflict of interest process.

GENERAL COUNSEL OFFICE

Information Security Office

Information Asset Management
Evaluate the effectiveness of controls over information asset management.

Cybersecurity
Evaluate the effectiveness of the cybersecurity assessment and mitigation process.

HEALTH POLICY & BENEFITS

Health Policy Research & Administration Division

Contract Oversight for Health Maintenance Organizations (finalize prior year)
Evaluate the effectiveness of controls over the contract administration oversight for Health Maintenance Organizations.

Data Warehouse Contract (finalize prior year)
Evaluate the contractor's compliance with specific provisions of its agreement with CalPERS.

Data Warehouse: Health Care Information Analysis (finalize prior year)
Evaluate the effectiveness of controls over the administrative oversight of the data warehouse.

Health Plan Funded Services and Procurement (finalize prior year)
Evaluate the effectiveness of controls over-funded services and procurement.

Preferred Provider Organization (PPO) Contract Development (consulting)
Facilitative consultation for the Health Policy & Benefits Branch while they develop the new PPO contract deliverables and performance measures.

INVESTMENT OFFICE

Investment Office Policy Exceptions and Violations Reporting (finalize prior year)
Evaluate the effectiveness of controls over identifying and reporting investment policy exceptions and violations.

Investment Trading Management Systems – Charles River (finalize prior year)
Evaluate the controls over the investment trading management systems for Fixed Income and Public Equities.

Automated Real Estate Investment System (AREIS)
Evaluate the effectiveness of controls implemented over the real assets performance and reporting management system.

Cost Effectiveness Measurement (CEM) Benchmark Information
Evaluate the effectiveness of controls over the information reported for the CEM benchmark.

Investment Office Contracting
Evaluate the effectiveness of controls implemented over the Investment Office's contracting process.

Investment Office Travel Expense Claims
Evaluate the effectiveness of controls implemented over Investment Office staff travel and reimbursements and travel expense claims.

Monitoring of Post Investment Private Equity Funds
Evaluate the effectiveness of controls implemented to monitor the post-investment period of private equity funds.

Private Debt Program
Evaluate the effectiveness of controls implemented to mitigate operational, reporting, and compliance risks associated with the Private Debt Program.

OPERATIONS & TECHNOLOGY

Enterprise Strategy & Performance Division

Strategic Planning (finalize prior year)
Evaluate the effectiveness of the enterprise strategic planning process.

Human Resources Division

Overtime Practices (finalize prior year)
Evaluate the effectiveness of controls over overtime practices.

Tax Withholding Practices (finalize prior year)
Evaluate the effectiveness of controls over changes in tax withholdings.

Recruitment Process
Evaluate the effectiveness of controls over the candidate selection process.

Information Technology Services Branch

myCalPERS Production Change Request (PCR)
Evaluate the controls over the PCR process for myCalPERS.
(Impacted Division: Enterprise Solutions Development Division)

Remote Access (Part II) (finalize prior year)
Evaluate the effectiveness of controls over the implementation of the telework policy.
(Impacted Division: Technology Infrastructure Services Division)

Operations Support Services Division

Business Continuity Management (Part II) (finalize prior year)
Evaluate the effectiveness of controls over the business continuity process.

CalPERS Contracting (finalize prior year)
Evaluate the effectiveness of controls over the CalPERS contracting process.

Board Election – School, State, and Special Retired (consulting)
Serve as an independent observer during counting activities.

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

MULTI-DIVISIONAL PROJECTS/AUDITS

Risk Management (finalize prior year)
Assess the integration of CalPERS strategic planning, risk, and compliance processes.
(Impacted Divisions: Enterprise Compliance/Enterprise Risk Management Division/Enterprise Strategy & Performance Division)

Employer Data Requests
Evaluate the effectiveness of controls over the employer data request process.
(Impacted Divisions: Information Security Office/Office of Stakeholder Relations)

Member Services Changes
Evaluate the effectiveness of controls over the process of requesting a change to member account information. (Impacted Divisions: Disability & Survivor Benefits Division/Customer Experience Division/ Member Account Management Division/Retirement Benefit Services Division)

Write-off of Retroactive Health Premiums
Evaluate the effectiveness of controls over the write-off of retroactive health premiums.
(Impacted Divisions: Financial Reporting & Accounting Services Division/Health Account Management Division/Legal Office)

Consulting Engagements
Perform consulting engagements based on CalPERS management requests.

Enterprise-wide Risk Assessment and Audit Planning
Conduct risk assessment and prepare a risk-based audit plan for FY 2023-24.

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.