



**PSERB Resolution 2026-01**

**Re: Audit, Compliance and Risk Committee 2026 Work Plan**  
**January 9, 2026**

**RESOLVED**, that the Public School Employees' Retirement Board accepts the recommendation of the Audit, Compliance and Risk Committee and approves the attached Audit, Compliance and Risk Committee Work Plan for 2026 to guide the Committee Chair in the development of agendas and authorizes the Committee Chair to revise the Work Plan, as needed.

School Employees' Retirement Board ACR Work Plan Items 2026	Start date	End/Due date	Date Flexibility (can be earlier, but not later)	Frequency	Committee Action Item	Board Action Item	January 9	February	March 11	March 19-20	April	May	June 10	June 17-18	July	August 5	August 12, 13-14	September	October 14	October 22-23	November	December 9	December 17-18	Special Comments	
							x	x				x		x		x		x		x		x		x	
<b>Audit, Compliance, and Risk Committee</b>																									<b>Meet at least 4 times a year</b>
The Board Chair is to appoint Committee members.	1/1/26	TBD 1/2028		Biennially			x																		
The Committee Chair is to set the dates and times of the committee meetings.	1/9/26	TBD 1/2027	No	Annually	No	No	x																		
Elect Chair	1/9/26	TBD 1/2028	No	Biennially	Yes	No	x																		Organizational Meeting
Elect Vice-Chair	1/9/26	TBD 1/2028	No	Biennially	Yes	No	x																		Organizational Meeting
Conduct a self-evaluation of the Committee's performance as part of the Board's self-evaluation process.		TBD	Yes	Annually	No	No																			Contingent on the development of the Board's self-evaluation process.
Review the Committee Charter at least every three years.	last reviewed 3/2025	TBD 3/2028	No	Every 3 years	Yes	Yes																			Any proposed changes are to be done through a Bylaws change. Consult with the Governance and Administration Committee. If no proposed changes, then the Committee's report to the Board will document that the charter was reviewed and no changes were referred.
<b>A. Activities Conducted on behalf of the Board</b>																									
1. With the assistance of staff, hire, evaluate, and, as appropriate, terminate and plan for the succession of the Chief Audit Officer.				Ad Hoc	No	No																			
2. Evaluate Chief Audit Officer and make recommendations on CAO compensation to the Executive Director.		End of July 2026	No	Annually	No	No																			Policy requires the Committee Chair to meet with the ED but the Charter delegates to the Committee to evaluate, which is a flexibility.
3. Conduct the search of an independent external auditor (IEA), with the assistance of staff, and make recommendations to the Board.																									Board action to select the IEA.
3a. Independent Financial Statement Audit (RFP)	3/1/23	2/28/28	No	Every 5 years	Yes	Yes																			RFP to begin Spring 2027
3b. Independent actuarial audit (ITQ)	10/1/26	10/31/27	No	Every 5 years	Yes	Yes																			
3c. Independent external quality assessment of Internal Audit function (ITQ)	10/1/26	12/31/27	Yes	Every 5 years	Yes	Yes																			
4d. Independent SOC1 Type 2 Audit (RFP)	7/1/29	12/31/30	No	Every 5 years	Yes	Yes																			
4. As necessary, with the assistance of staff, identify the need for independent advisors and/or investigators for special situations, conduct a search, and make recommendations to the Board.				Ad Hoc	Yes	Yes																			
5. Evaluate performance of all external audit, internal audit, compliance, and risk management service providers. Ensure that RFPs are conducted for each key service provider contract at least every five (5) years unless the Board chooses otherwise.				Ad Hoc	No	No																			
5a. Conduct evaluation of SB & Co.		2/28/26	Yes	Annually	No	No	x																		
5b. Identify any other service providers				Yes	As Needed, specify date	No	No																		
5c. Develop the standards of evaluating performance, i.e. SLAs, metrics, benchmarking, etc.		N/A	Yes	As Needed, specify date																					Performance evaluation criteria on external auditors was established in 2024 with the committee chair. Evaluation is conducted on recurring engagement with multiple years contract. One time contract vendors are not in scope.
5d. Financial Statement Audit Service Provider		2/28/28	No	Annually	No	No																			SB contract ends 2/28/2028. RFP process needs to begin 9-12 months prior.
6. At least annually, meet individually with the CAO; the external auditor; the Chief Risk Officer; and the Chief Compliance Officer, without other staff present to ensure there has been no undue influence on their activities or reporting to the Committee or the Board.																									
6a. Meet with CAO in ES without staff		June 25	Yes	Annually	No	No												x							
6b. Meet with external auditor in ES without staff		Oct 25	Yes	Annually	No	No													x						
6c. Meet with Chief Risk Officer in ES without staff		Dec 25	Yes	Annually	No	No													x						
6d. Meet with Chief Compliance Officer without staff		Dec 25	Yes	Annually	No	No														x					
7. Initiate investigations into any matters within its scope of responsibility and obtain advise and assistance from outside legal, accounting, or other advisers, as necessary, to perform its duties and responsibilities.				Yes	Ad Hoc	Yes	Yes																		
7a. Pending Legal Matter - Final Presentation & Memo Distribution				Yes	Ad Hoc	Yes	Yes																		
8. Conduct an internal control audit at least every five (5) years. If an annual independent audit identifies a material weakness or significant deficiency or an internal control audit identifies a material weakness or significant deficiency, an additional internal control audit of PSERS shall be conducted for the year subsequent to the report or audit in which the weakness or deficiency was identified. (SOC1 Type 2 Audit)		Next Due 12/31/2025	No	Every 5 years	Yes	Yes												x	x						Every 5 years--First Audit Due by 12/31/2025. Interim update in June (no Board action required) with final results and report distribution in August (motion and \resolution)

9. Direct and oversee a comprehensive enterprise risk management ("ERM") program that includes policies, procedures, measures, and competencies for identifying, assessing, and managing enterprise risk.			Yes	Ad Hoc	No	No												See D.4. related to the Board's strategic priority to "Implement a robust enterprise risk management program."
10. Direct and oversee a comprehensive compliance program that includes policies, procedures, measures, and competencies for identifying, assessing, and managing compliance.			Yes	Ad Hoc	No	No												See D.3 related to overseeing PSERS' compliance
<b>B. Recommend direction and policy to the full Board:</b>																		
1. Annually identify anticipated audit, compliance and risk policy priorities and establish a calendar of anticipated policy decisions and discuss with the Board.				Annually	Yes	Yes												Identification and development of new policies and priorities for the committee and staff to focus and work on during the year, including the review of existing policies that you know needs to be addressed.
1.a Establish a calendar (discuss with the Chair)									X				X					
2. Review and make recommendations to the Board on all policies and any amendments governing audit, compliance or risk, with the exception of policies that come within the duties and responsibilities of another Committee.				Annually	Yes	Yes												Annual review of existing Board policies
2.a Identify the policies owned by the committee		6/1/25	No	As Needed, specify date	Yes	Yes												No additional policy to be considered for the ACR committee
2.b Review the policies owned by the committee and make recommendations to the Board of any recommended modification.		12/1/25	Yes	Annually	Yes	Yes												
2.c FWA policy statement review, will propose policy to be reviewed every 3 years going forward		Dec 2028	Yes	Every 3 years	Yes	Yes												FWA policy statement was last reviewed in 2025
2.d HOP Code of Conduct policy review, will propose policy to be reviewed every 3 years going forward.		Dec 2025	Yes	Every 3 years	Yes	Yes			X									
2.e Enterprise Risk & Performance Management Policy		3/12/25	Yes	Ad Hoc	Yes	Yes			X									Keep on here and discuss with permanent ED.
3. Recommend vital signs and metrics for the internal audit office, the Enterprise Risk Management program, and the Compliance function and identify tolerances for acceptable vs. unacceptable variability in performance.		12/31/26	Yes	Annually	Yes	Yes						X			X			Review vital signs at a minimum 4 times a year.
3.a Adopt vital signs and metrics for the Compliance function.		12/25/26	Yes	Annually	Yes	Yes										X		
<b>C. Recommend approval of key decisions:</b>																		
1. Recommend approval of the Internal Audit Charter, the Enterprise Risk Management (ERM) Charter, and the Compliance Charter.			N/A	Yes	Every 3 years	Yes	Yes											IAO Charter was updated and approved in Dec 2024; ERM & Compliance Charters were adopted in March 2024.
2. Recommend approval of the staffing complement for the Internal Audit Office, Compliance, and Enterprise Risk Management to the Board.			End of June	Yes	Annually	Yes	Yes					X						This recommendation is for when the Board approves budget for next fiscal year in October.
3. Recommend engagement of and budget for external consultants and advisors, as appropriate, to ensure adequate resources for Internal Audit, Compliance, and Enterprise Risk Management.			End of June	Yes	Annually	Yes	Yes					X						IAO - June 2025; ERM - June 2025
4. Recommend approval of the Independent Auditor's Report, Independent Audited Financial Statements, and Management Letter.			October	No	Annually	Yes	Yes								X			This recommendation is for when the Board approves budget for next fiscal year in October.
5. Recommend approval of enterprise risk appetite and tolerances (excluding investment risk).			August		Annually	Yes	Yes		X									IAO - June 2025; ERM - June 2025; Compliance-June 2025
D. Oversee Board-approved direction (see committee charter for scope)				Other, specify date	No	No												Align to full ERPM policy adoption as noted above on line B.2.e
1. Oversee the Internal Audit Office (IAO)																		Continuous
Approve the annual audit plan (include IAO function and resource discussion)		June		Annually	Yes	No						X						
- Obtain periodic updates on the annual audit plan				Quarterly	No	No	X					X			X	X		
Global Internal Audit Standards (Standards) essential conditions				As Needed, specify date								X						
- Review IAO strategic plan and performance objectives				Annually	Yes	Yes						X						
- Discuss Domain III of the Standards with the board and senior management				Yes	Annually	No	No											
- Review communication protocols				Yes	Annually	Yes	Yes											
- Review Quality Assessment Improvement Program				Yes	Annually	Yes	Yes					X						
- Review Periodic Self Assessment and Internal Quality Assessment results				Yes	Other, specify date	No	No					X				X		
- Review external Quality Assessment results		Dec 2027	Yes	Every 5 years	Yes	Yes												First external quality assessment target to be completed by Dec 2027
- Review Risk Assurance Coverage Map				Annually	No	No						X						
- Annual audit risk assessment with each committee member (informal)				Annually	No	No												CAO will schedule individual meeting with each committee member



