

MINUTES

Audit, Risk, and Compliance Committee

Tuesday, December 2, 2025 ~ Scheduled Start: 11:00 a.m. ~ Actual Start: 11:16 a.m.

ATTENDANCE AT COMMITTEE MEETING:

Board Members:

*Committee Members noted with * behind their name*

- | | |
|---|--|
| <input checked="" type="checkbox"/> Donald Enders, Jr.* | <input checked="" type="checkbox"/> Rep. Brett Miller* |
| <input checked="" type="checkbox"/> W. Russell Faber | <input checked="" type="checkbox"/> Michael Heckmann, Designee |
| <input type="checkbox"/> Rep. Dan Frankel | <input checked="" type="checkbox"/> Jill Vecchio, Designee |
| <input type="checkbox"/> Anne Baloga, Designee | <input type="checkbox"/> Sec. Uri Monson* |
| <input type="checkbox"/> Jordan Laslett, Designee | <input type="checkbox"/> Sen. Devlin Robinson |
| <input checked="" type="checkbox"/> Matthew McCarry, Designee | <input type="checkbox"/> Kevin Battle, Designee |
| <input type="checkbox"/> Devin Mercado, Designee | <input type="checkbox"/> Stephanie Buchanan, Designee |
| <input checked="" type="checkbox"/> John Galuska | <input type="checkbox"/> Allison Dutrey, Designee |
| <input type="checkbox"/> Tr. Stacy Garrity* | <input type="checkbox"/> Sec. Wendy Spicher* |
| <input checked="" type="checkbox"/> Christopher Craig, Designee | <input checked="" type="checkbox"/> Seamus Dubbs, Designee |
| <input type="checkbox"/> Lloyd Ebright, Designee | <input checked="" type="checkbox"/> Eric Pistilli, Designee |
| <input type="checkbox"/> Tom Waters, Designee | <input checked="" type="checkbox"/> Jeffrey Soderstedt, Designee |
| <input type="checkbox"/> Sen. Vincent Hughes | <input checked="" type="checkbox"/> Gregory Thall (Board Chair) |
| <input checked="" type="checkbox"/> Matthew Lindsay, Designee | |
| <input type="checkbox"/> Antoinette Marchowsky, Designee | |

SERS Leadership:

*Committee Liaisons and Committee Counsel noted with * behind their job title*

- | | |
|--|--|
| <input checked="" type="checkbox"/> Chief Compliance Officer*
<i>Jo Ann Collins</i> | <input checked="" type="checkbox"/> Chief Financial Officer
<i>Sara McSurdy</i> |
| <input checked="" type="checkbox"/> Chief Counsel
<i>N. Joseph Marcucci</i> | <input checked="" type="checkbox"/> Chief Information Officer
<i>Daniel Krautheim</i> |

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|---|--|
| <input checked="" type="checkbox"/> Chief Investment Officer
<i>James Nolan</i> | <input checked="" type="checkbox"/> Deputy Executive Director for OMPS
<i>Brenda Cunard</i> |
| <input checked="" type="checkbox"/> Comm. Director & Press Secretary
<i>Pamela Hile</i> | <input checked="" type="checkbox"/> Director of Gov. & Strategic Initiatives
<i>Cynthia Collins</i> |
| <input type="checkbox"/> Deputy Chief Counsel (Benefits)
<i>Catherine Nolan</i> | <input checked="" type="checkbox"/> Executive Director
<i>Joseph Torta</i> |
| <input checked="" type="checkbox"/> Deputy Chief Counsel (Business)
<i>Steven Skoff</i> | <input checked="" type="checkbox"/> HR Director
<i>Michele Shaner</i> |
| <input checked="" type="checkbox"/> Deputy Chief Financial Officer
<i>Michael McGeoy</i> | <input checked="" type="checkbox"/> Internal Audit Director*
<i>Ryan McCoy</i> |
| <input type="checkbox"/> Deputy Chief Investment Officer
<i>William Truong</i> | <input checked="" type="checkbox"/> Legislative Affairs & Policy Director
<i>Thomas Derr</i> |
| <input checked="" type="checkbox"/> Deputy Executive Director for Admin.
<i>Beth Christian</i> | |

SERS Board Committee Support:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Administrative Assistant, OA
<i>Kelly Bernhard</i> | <input type="checkbox"/> IT Administrator
<i>Mark Walter</i> |
| <input type="checkbox"/> Administrative Officer, IT
<i>Taylor Frey</i> | <input checked="" type="checkbox"/> IT Generalist
<i>Jonathan Ryan</i> |
| <input checked="" type="checkbox"/> Executive Assistant, OA
<i>Shannon Zimmerman</i> | <input checked="" type="checkbox"/> IT Generalist
<i>Brett Shaffer</i> |
| <input checked="" type="checkbox"/> Executive Assistant, Board Ed.
<i>Sheila Willrich</i> | <input checked="" type="checkbox"/> IT Generalist
<i>Matthew Soule</i> |
| <input checked="" type="checkbox"/> Executive Secretary
<i>Courtney Yurovich</i> | <input type="checkbox"/> Technical Support Director
<i>Randy Gilson</i> |

Other SERS Staff:

- Joseph Auchey, Internal Audit Office
- Taylor Clark, Chief Counsel's Office
- Cathy Gusler, Operations Office
- Meredith Jones, Investment Office
- Cara Trego, Internal Audit Office
- Rae Ann Tronetti, Internal Audit Office

Other Attendees:

- Craig Swallow, KPMG LLP (KPMG)

NARRATIVE/ISSUES:**1. Call to Order and Roll Call**

The meeting was called to order at 11:16 a.m. by Mr. Christopher Craig (Mr. Craig), Designee to Treasurer Stacy Garrity, Chair of the Audit, Risk, and Compliance Committee.

2. Welcome and Introductions

None

3. Approval of the Minutes

The Committee approved the minutes from the September 30, 2025, Audit, Risk, and Compliance Committee meeting.

4. Old Business

None

5. Special Presentations

None

6. New Business**• Internal Audit Office Update****○ Internal Audit Plan 2026-2027 Update**

Mr. Ryan McCoy (Mr. McCoy), Internal Audit Director, reviewed the Internal Audit Office's (Internal Audit) final Internal Audit Plan for 2026-2027. Mr. McCoy summarized each audit on the plan and reviewed the scheduled timeline for each one. Mr. McCoy did caveat that SERS will undergo a Fiduciary Review and once that is completed, it is possible that a few of the audits may be covered within that review. If Internal Audit determines that the entire scope and risks of a specific audit was covered in the review, Internal Audit will review this with the Audit, Risk, and Compliance Committee and pull those audits from the plan to utilize SERS' resources appropriately and without duplication. If an audit is pulled from the plan, Internal Audit will reevaluate any additional necessary audits or advisory work to be added to plan after the Fiduciary Review recommendations are completed.

The Committee unanimously voted to recommend to the State Employees' Retirement Board that it approve the Internal Audit Plan 2026-2027 as set forth in the Audit, Risk and Compliance Committee BoardDocs Agenda under Agenda Item 6A-i.

The roll call vote tabulation was as follows:

Board Member	Vote
ENDERS	Yes
GARRITY	
Designee: Craig	Yes
MILLER	Yes
MONSON	Absent
SPICHER	
Designee: Dubbs	Yes

o **Independent Auditing Services Statement of Work**

Mr. McCoy, Internal Audit Director, reviewed the current status of the Independent Auditing Services Statement of Work Request for Proposal (RFP). Ms. Cindy Collins, Director of Governance and Strategic Initiatives, reviewed the RFP's anticipated timeline. Ms. Cindy Collins also mentioned that the RFP will be on a tight timeline and that volunteers for the RFP process would be greatly appreciated with the anticipated timeframe for volunteers being March-April 2026. This is a very important RFP for SERS and the Board's support and participation is extremely valued.

The Committee unanimously voted to recommend to the State Employees' Retirement Board that it approve the Independent Auditing Services Statement of Work RFP as set forth in the Audit, Risk and Compliance Committee BoardDocs Agenda under Agenda Item 6A-ii.

The roll call vote tabulation was as follows:

Board Member	Vote
ENDERS	Yes
GARRITY	
Designee: Craig	Yes
MILLER	Yes
MONSON	Absent
SPICHER	
Designee: Dubbs	Yes

o **Fraud Hotline Update**

Ms. Cara Trego, Internal Audit Specialist, reviewed the updates to the Fraud Hotline, which included adding an Interactive Voice Response Path to the hotline that gives callers a number of options to accurately direct their call according to

their concern or issue. These changes went into effect on October 28, 2025; Internal Audit believes the changes will better serve the caller and more accurately and efficiently route them to the appropriate place to address their concerns and issues in a timely manner.

- **KPMG’s 2025 Audit Plan and Strategy – Report to the Audit, Risk, and Compliance Committee**

KPMG presented its audit plan and strategy for the upcoming 2025 Independent Audit. Mr. Craig Swallow (Mr. Swallow) stated that he would be the lead partner on SERS’ 2025 audit as Mr. Eric Forkner will be retiring from KPMG. Mr. Swallow summarized the key areas of focus for the audit and the planned staff for the engagement, mentioning that KPMG will utilize specialty knowledge, including actuaries, investment professionals, and information technology experts. Mr. Swallow also reviewed the timeline for the audit starting in November 2025 and concluding in May/June 2026. Lastly, Mr. Swallow presented the Audit, Risk and Compliance Committee with questions required by the American Institute of Certified Public Accountants Standards and asked that any member reach out if they think of any additional relevant items.

7. Executive Session

The Committee entered Executive Session at 11:51 a.m.

- **Data Privacy and Protection Audit**
- **Chief Compliance Officer Update – Compliance Quarterly Report for the Period Ending September 30, 2025**
- **Informational Items**
 - **Internal Audit Office Issues Management Tracking Documents**
 - **Chief Compliance Officer Quarterly Report Under Section V.E.4 of the Audit, Risk and Compliance Committee Charter**
 - **Update on Chief Compliance Officer 2025 Goals**
 - **Update on Internal Audit Director 2025 Goals**
 - **Fraud Hotline Summary**

8. Public Session Resumes

The Committee resumed public session at 12:19 p.m.

9. Informational Items

None

10. Comments, Concerns, Questions, and Reminders

The next Committee meeting is TBD.

11. Motion to Adjourn

By motion that was moved, seconded, and approved, it was RESOLVED that the meeting be adjourned at 12:21 p.m.

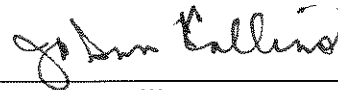
12. Follow up / Next Steps

Mr. Craig and Representative Brett Miller, Assistant Chair of the Audit, Risk and Compliance Committee, both expressed their gratitude toward SERS employees involved with the Audit, Risk, and Compliance Committee for their hard work and efforts.

Respectfully Submitted,



Ryan McCoy
Internal Audit Director



Jo Ann Collins
Chief Compliance Officer