

MINUTES

Audit, Risk, and Compliance Committee

Tuesday, June 9, 2026 ~ Scheduled Start: 12:45 p.m. ~ Actual Start: 12:46 p.m.

ATTENDANCE AT COMMITTEE MEETING:

Board Members:

*Committee Members noted with * behind their name*

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| ☐ Donald Enders, Jr.* | ☐ Rep. Brett Miller* |
| ☒ W. Russell Faber* | ☐ Michael Heckmann, Designee |
| ☐ Rep. Dan Frankel | ☒ Jill Vecchio, Designee |
| ☐ Anne Baloga, Designee | ☐ Sen. Devlin Robinson |
| ☒ Matthew McCarry, Designee | ☒ Kevin Battle, Designee |
| ☐ John Galuska | ☐ Stephanie Buchanan, Designee |
| ☐ Tr. Stacy Garrity | ☐ Allison Dutrey, Designee |
| ☐ Christopher Craig, Designee | ☐ Sec. Wendy Spicher* |
| ☐ Lloyd Ebright, Designee | ☒ Seamus Dubbs, Designee |
| ☐ Tom Waters, Designee | ☒ Veronica Hoof, Designee |
| ☐ Sen. Vincent Hughes | ☐ Eric Pistilli, Designee |
| ☒ Matthew Lindsay, Designee | ☒ Gregory Thall (Board Chair)* |
| ☐ Antoinette Marchowsky, Designee | |

SERS Leadership:

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

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| ☒ Chief Compliance Officer*
<i>Jo Ann Collins</i> | ☒ Chief Information Officer
<i>Daniel Krauthaim</i> |
| ☒ Chief Counsel*
<i>N. Joseph Marcucci</i> | ☒ Chief Investment Officer
<i>James Nolan</i> |
| ☒ Chief Financial Officer
<i>Sara McSurdy</i> | ☒ Comm. Director & Press Secretary
<i>Pamela Hile</i> |

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| ☒ Deputy Chief Counsel (Benefits)
<i>Catherine Nolan</i> | ☒ Director of Gov. & Strategic Initiatives
<i>Cynthia Collins</i> |
| ☐ Deputy Chief Counsel (Business)
<i>Steven Skoff</i> | ☒ Director of Operations
<i>Richard Gaul</i> |
| ☒ Deputy Chief Financial Officer
<i>Michael McGeoy</i> | ☒ Executive Director
<i>Joseph Torta</i> |
| ☐ Deputy Chief Investment Officer
<i>William Truong</i> | ☒ HR Director
<i>Michele Shaner</i> |
| ☐ Deputy Executive Director for Admin.
<i>Beth Christian</i> | ☒ Internal Audit Director*
<i>Ryan McCoy</i> |
| ☒ Deputy Executive Director for OMPS
<i>Brenda Cunard</i> | ☒ Legislative Affairs & Policy Director
<i>Thomas Derr</i> |

SERS Board Committee Support:

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|--|---|
| ☒ Administrative Assistant, OA
<i>Kelly Bernhard</i> | ☒ IT Administrator
<i>Mark Walter</i> |
| ☐ Administrative Officer, IT
<i>Vacant</i> | ☒ IT Generalist
<i>Jonathan Ryan</i> |
| ☒ Executive Assistant, OA
<i>Shannon Zimmerman</i> | ☒ IT Generalist
<i>Brett Shaffer</i> |
| ☒ Executive Assistant, Board Ed.
<i>Sheila Willrich</i> | ☒ IT Generalist
<i>Matthew Soule</i> |
| ☐ Executive Secretary
<i>Courtney Yurovich</i> | ☒ Technical Support Director
<i>Randy Gilson</i> |

Other SERS Staff:

- Joseph Auchey, Internal Audit Office
- Cathy Gusler, Operations Office
- Meredith Jones, Investment Office
- Bob Necciai, Chief Counsel's Office
- Dana Shettel, Office of Member and Participant Services
- Cara Trego, Internal Audit Office
- Rae Ann Tronetti, Internal Audit Office

Other Attendees:

- Brian Kimmett, Rock the Capital
- Kristin Ronchetti, KPMG LLP ("KPMG")
- Craig Swallow, KPMG

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

The meeting was called to order at 12:46 p.m. by Jill Vecchio ("Ms. Vecchio"), designee for Representative Brett Miller, Assistant Chair of the Audit, Risk, and Compliance Committee (also "ARC Committee" or "Committee").

2. Welcome and Introductions

None

3. Approval of the Minutes

The Committee approved the minutes from the April 28, 2026 Audit, Risk, and Compliance Committee meeting.

4. Old Business

- **Update on Request for Quotation (RFQ) 25-044 Global Internal Audit Standards Gap Assessment**

SERS Internal Audit Director, Ryan McCoy ("Mr. McCoy"), presented an update regarding the procurement of a qualified vendor to perform a gap assessment and evaluate the Internal Audit Office's conformance with the Global Internal Audit Standards ("Standards"). Mr. McCoy gave a brief synopsis of the requirements set forth in the Audit, Risk and Compliance Committee Charter and the Internal Audit Office Charter. Both charters require that an independent quality assurance review occur at least once every five years to assess the Internal Audit Office's compliance with the Standards. Mr. McCoy reminded the Committee that the first review is scheduled to occur during calendar year 2029. The gap assessment will help prepare the Internal Audit Office team so they can be successful in the formal assessment. Mr. McCoy stated that he has been working with the agency's Procurement Officer and the ARC Committee Chair as the agency proceeds with the procurement process. The next step is to discuss vendor selection with the Committee Chair. Mr. McCoy expects to provide a more substantive update at the July 21st ARC Committee meeting.

5. Special Presentations

None

6. New Business

- **Internal Audit Office Staffing Update**

Mr. McCoy informed the Committee that he and his Assistant Director, Rae Ann Tronetti ("Ms. Tronetti"), selected a candidate to fill the role of Senior Internal Auditor after conducting several interviews. Mr. McCoy advised the Committee that he is confident that the selected candidate's experience, background, and professional qualifications will add significant value to the Internal Audit Office.

- **Third Party Risk Management Audit Discussion**

Assistant Internal Audit Director, Ms. Tronetti, provided an update on the Internal Audit Office's Third Party Risk Management Audit, which the team is currently finalizing. Ms. Tronetti informed the Committee that two findings were identified; they were distributed to management for review, and management is working on a response that will be documented within the audit report. Ms. Tronetti expects to provide a comprehensive presentation on the audit at the July 21st ARC Committee meeting.

7. Executive Session

The Committee entered Executive Session at 12:53 p.m.

- **Results of 2025 Independent Financial Statement Audit (Craig Swallow, KPMG; Kristin Ronchetti, KPMG)**

1. **Independent Auditor's Required Communications to the Audit, Risk and Compliance Committee – Auditing Standard, AU-C Section 260**
2. **Commonwealth of Pennsylvania State Employees' Retirement System 2025 Financial Statements with Required Supplementary Information**
3. **Commonwealth of Pennsylvania State Employees' Retirement System Deferred Compensation Plan 2025 Financial Statements**

- **Chief Compliance Officer Update – Compliance Quarterly Report for the Period Ending March 31, 2026 (Jo Ann Collins, Chief Compliance Officer)**
- **Chief Compliance Officer Quarterly Report on Matters Specified Under Section V.E.4 of the Audit, Risk and Compliance Committee Charter – Confidential Informational Item Only**
- **Internal Audit Office Issues Management Tracking Documents – Informational Item Only**

8. Public Session Resumes

- **Results of 2025 Independent Financial Statement Audit**

Public session resumed at 1:21 p.m. Ms. Vecchio made the following motion:

I move that the Audit, Risk, and Compliance Committee recommend to the State Employees' Retirement Board to accept the audited 2025 Financial Statements with Required Supplementary Information with Independent Auditors' Report for Years Ended December 31, 2025, and December 31, 2024, of the Commonwealth of Pennsylvania State Employees' Retirement System, State Employees' Defined Contribution Plan, and the Commonwealth of Pennsylvania Deferred Compensation Plan, as presented by our independent auditors, KPMG LLP.

The unanimous roll call vote tabulation was as follows:

Board Member	Vote
ENDERS	Absent
FABER	Yes
MILLER	
Designee: Vecchio	Yes
SPICHER	
Designee: Dubbs	Yes
THALL	Yes

9. Informational Items

None

10. Comments, Concerns, Questions, and Reminders

- The next Committee meeting is July 21, 2026.

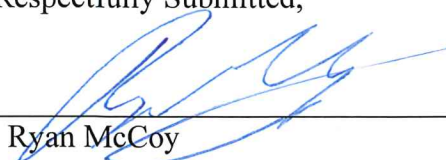
11. Motion to Adjourn

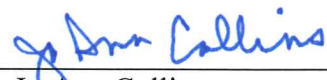
By motion that was moved, seconded, and approved, it was RESOLVED that the meeting be adjourned at 1:24 p.m.

12. Follow up / Next Steps

N/A

Respectfully Submitted,



Ryan McCoy
Internal Audit Director

Jo Ann Collins
Chief Compliance Officer