# Audit Committee Meeting

**Sacramento County Employees' Retirement System**

**Agenda Item 5**

**MEETING DATE:** November 17, 2026

**SUBJECT:** Agreed-Upon Procedures Audit Plan

**SUBMITTED FOR:** ___ Action _X_ Information

## RECOMMENDATION

Review the findings of the Employer Reporting-Member Data Agreed-Upon Procedures and discussion of internal audit plan.

## PURPOSE

This item supports the Strategic Management Plan objective to formalize and integrate Enterprise Risk Management to enhance organizational resilience and decision-making.

## DISCUSSION

SCERS engaged Eide Bailly LLP to conduct a series of Agreed-Upon Procedures (AUP) audits as part of the organization's risk management and compliance framework. The engagement included the following deliverables beginning with four Agreed-Upon Procedure Audit Services:

1. Review of Employer Reporting (Payroll) to be completed no later than October 31, 2026.
2. Review of Employer Reporting (Member Data) to be completed no later than October 31, 2026.
3. Review of Third-Party Data Privacy to be completed no later than October 31, 2027.
4. Review of Contribution Accounting and Reporting, conducted in accordance with AICPA SSAE 19 standards, to be completed no later than October 31, 2027.
5. Develop a risk-based internal audit plan for fiscal years 2027–28 and 2028–29 to guide future audit priorities and enhance long-term oversight, to be completed by December 31, 2027.

Eide Bailly has now completed on time the first two of the four audits—Employer Reporting (Payroll) as presented to the Audit Committee on June 16, 2026, and the Employer Reporting (Member Data) included herein.

**Employer Reporting (Member Data)**

Eide Bailly completed an Agreed-Upon Procedures (AUP) review of participating employer "member" reporting for the period of January 1, 2026, through June 30, 2026. The review compared SCERS source data to a sampling of employer member data from six employers with a focus on member status changes and examining records to ensure consistency with member names, employe and other IDs, date of birth.

The review did not find any inconsistences in employee changes or records between those held by the Employer and by SCERS. Note that the inconsistencies SCERS found in December 2025 with regard to employees of the Elk Grove Cosumnes Cemetery District preceded this AUP and accordingly were not part of this AUP review period or process.

SCERS will also provide the Committee with an update and discuss the risk-based internal audit plan.

## Next Steps

As no exceptions were found in this AUP, there are no identifiable measures that need to be taken. Regarding Elk Grove Cosumnes Cemetery District, the Board has previously received information and provided directions to SCERS on that matter.

SCERS will move into the next AUP processes for Third-Party Data Privacy and Contribution Accounting and Reporting and will provide an update at the June 2027 Audit Committee meeting.

## ATTACHMENTS

- Eide Bailly Agreed-Upon Procedures Employer Reporting – Member Data

Prepared by:

/S/

Marcus Pimentel
Chief Operations Officer

Reviewed by:

/S/

Eric Stern
Chief Executive Officer

Agreed-Upon Procedures
Employer Reporting – Member Data
Period of January 1, 2026 – June 30, 2026

# Sacramento County Employees' Retirement System

**Independent Accountant's Report**

Sacramento County Employees' Retirement System
Sacramento, California

We have performed the procedures enumerated below on certain employer member data requirements applicable to participating employers of the Sacramento County Employees' Retirement System ("SCERS"). The procedures were performed for the period of January 1, 2026 – June 30, 2026. SCERS and employer management are responsible for the accuracy and completeness of member data reported to SCERS in accordance with applicable laws, regulations, and SCERS policies and reporting requirements.

SCERS has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating employer reporting of member data. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

a) Obtain from SCERS a listing of member status changes during the period January 1 – June 30, 2026.

   **Finding:** We obtained a listing of member status changes for the period of January 1, 2026, through June 30, 2026 from SCERS.

b) Select a sample of 40 members with reported status changes.

   **Finding:** A sample of 40 members with reported status changes was selected for testing. Sample selections comprised the following:

| Employer | No. of items selected |
|---|---|
| Sacramento County | 27 |
| Sacramento County Superior Court | 5 |
| Sacramento Employment and Training Agency | 3 |
| Mission Oaks Recreation and Park District | 2 |
| Sunrise Park District | 2 |
| Orangevale Recreation and Park District | 1 |

   SCERS management did not include the Elk Grove Cosumnes Cemetery District in the agreed-upon procedures or sample as there was a separate internal review performed by SCERS in December 2025, prior to the period covered by procedures a) through d).

c) For each member selected, obtain supporting documentation related to the reported status change from the employer (e.g., personnel action forms, employee change forms, etc.) and compare the status change information to the corresponding information maintained by SCERS.

**Finding:** For each of the 40 members selected, we obtained supporting documentation for the reported status change from the employer and compared the status change information to the corresponding data maintained by SCERS. No exceptions were noted.

d) For each member selected in step b above, obtain the employee's personnel file or Human Resources Information System (HRIS) record from the employer and compare the following information to the corresponding information maintained by SCERS, as applicable:
    - Member Name (First and Last Name)
    - Employee ID
    - Social Security Number
    - Gender
    - Date of Birth

**Finding:** For each of the 40 members selected in step b above, we obtained the employee's personnel file or Human Resources Information System (HRIS) record from the employer and compared the specified information to the corresponding information maintained by SCERS. No exceptions were noted.

We were engaged by SCERS to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct, an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on employer reporting of member data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of SCERS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of SCERS management and is not intended to be and should not be used by anyone other than this specified party.

Eide Bailly LLP

Sacramento, California
October 30, 2026