ALASKA RETIREMENT MANAGEMENT BOARD

Audit Committee Meeting

September 14, 2026

Alaska Retirement Management Board

Audit Committee Meeting

Monday, September 14, 2026

Location:	Microsoft Teams Videoconference Info:	Call In (Audio Only) Info:
Atwood Conference Center Rooms 102 & 104 550 W. 7th Ave., Anchorage, AK	Click here to join the meeting **Meeting ID:** 231 323 039 844 242 **Passcode:** zU6FC2YL	**Call in #: 1-907-202-7104** **Code:** 818 337 753#

9:00 AM **Call to Order**
Roll Call
Public Meeting Notice
Approval of Agenda
Approval of Minutes – June 9, 2026

Public/Member Participation, Communications, and Appearances
*(Callers: Select *5 to raise your hand & *6 to unmute. Limit three minutes.)*

Audit Unit Report
Mark Rosier, Audit and Review Analyst, Division of Retirement and Benefits

Report on Delinquent / Late Filing Employers
Christopher Novell, Chief Financial Officer, Division of Retirement & Benefits

Independent Audit Status Update
Elizabeth Stuart, Audit Partner, KPMG
Melissa Beedle, Audit Managing Director, KPMG

Executive Session – Committee Discussion with Auditor on Required Inquiries Regarding Internal Controls
In accordance with Open Meetings Act, AS 44.62.310(c)(1) and (c)(2)

Future Meetings
1. **Calendar Review**
    a. Proposed Date of Next Audit Committee Meeting – October 12
2. **Agenda Items**
3. **Requests / Follow-Ups**

Other Matters to Properly Come Before the Committee

Public / Members Comments
*(Callers: Select *5 to raise your hand & *6 to unmute. Limit three-minutes.)*

10:00 AM **Adjournment**

ALASKA RETIREMENT MANAGEMENT BOARD
AUDIT COMMITTEE MEETING
June 9, 2026 – 9:00 AM

Originating at:
Atwood Conference Center Rooms 102/104
550 W. 7th Ave., Anchorage, AK

Committee members
Norman West, Chair
Lorne Bretz
Donald Krohn
Bob Williams

Other Trustees
Dennis Moen

Investment Advisory Council Members
Ruth Traylor
Dr. William Jennings
Josh Rabuck

Department of Law
Ben Hofmeister, Assistant Attorney General, ARMB Legal Counsel

Department of Revenue – Treasury Division Staff
Zach Hanna, Chief Investment Officer
Pam Leary, Director
Hunter Romberg, Acting Head of Investment Operations
Casey Colton
James Dawson
Grant Ficek
Scott Jones
Chris Madsen
Craig Millard
Mark Moon
Katherine Smith
Alysia Jones, ARMB Liaison

Department of Administration (DOA) – Commissioner's Office
Dave Donley, Deputy Commissioner
Amanda Pillifant, Executive Assistant

DOA - Division of Retirement and Benefits (DRB)
Kathy Lea, Director
Christopher Novell, Chief Financial Officer
Mindy Voigt, Chief Pension Officer
Mark Rosier, Acting Accountant V / Compliance Officer
Kathy O'Leary
Traci Walther
Shannon Whistler

DRAFT

Guests / Presenters

Elizabeth Stuart, Audit Partner, KPMG
Melissa Beedle, Audit Managing Director, KPMG
Steve Center, Callan
Evan Williams, Callan
Carla Ardell, Empower

Public

Randall Burns, Retired Public Employees Association (RPEA)
Kaitlyn Conway, Alaska Municipal League
Barbara Reid, RPEA Adhoc Committee
Wendy Woolf, RPEA

PROCEEDINGS

CALL TO ORDER

CHAIR NORMAN WEST called the meeting to order at 9:00 a.m.

ROLL CALL

TRUSTEE LORNE BRETZ, TRUSTEE DONALD KROHN, TRUSTEE BOB WILLIAMS and CHAIR WEST were present, establishing a quorum.

PUBLIC MEETING NOTICE

ALYSIA JONES confirmed that public meeting notice requirements had been met.

APPROVAL OF AGENDA

CHAIR WEST asked for any corrections or additions to the agenda. Hearing and seeing none, the agenda was approved without objection.

APPROVAL OF MINUTES – MARCH 17, 2026

TRUSTEE BRETZ moved to approve the minutes of the March 17, 2026, meeting. TRUSTEE WILLIAMS seconded the motion. The minutes were approved without objection.

PUBLIC / MEMBER PARTICIPATION, COMMUNICATIONS AND APPEARANCES – None.

REVIEW OF INDEPENDENT AUDITOR'S AUDIT PLAN

BETH STUART, Audit Partner, KPMG outlined the overall audit approach, emphasizing the firm's role in supporting the committee's oversight of accurate financial reporting, the early planning work already completed, and the use of materiality in designing audit procedures. MELISSA BEEDLE, Audit Managing Director, KPMG described the audit scope, noting that KPMG will issue opinions on each of the retirement systems, the invested assets report, and later the net pension and OPEB liability allocation schedules, and that internal controls are considered but not opined upon separately. She reviewed the audit timeline from planning (April–May), through interim testing (current period), to year-end fieldwork and report issuance by October 15, followed by allocation schedule audits in November–December.

B. STUART highlighted key risk areas, including management override of controls, valuation of private market investments, pension and OPEB liabilities, and long-term claims liabilities, and explained KPMG's use of specialized teams and actuarial/GASB experts to address these areas.

B. STUART also reported that a new accounting standard, GASB 103, will require the Management's Discussion and Analysis (MD&A) section to be reorganized and simplified to be clearer and more user-friendly. She explained that this change will primarily affect the MD&A rather than the basic financial statements, and that KPMG has already begun working with management to accelerate drafting and recast the 2025 MD&A in the new format early in the audit process to avoid delays later in the engagement.

B. STUART noted that KPMG has made significant investments in trusted, private AI tools that operate only within KPMG systems and are not used to train public models. She explained AI is used to enhance audit quality by reviewing financial statements and MD&A for consistency with GASB, checking wording and grammar, and testing full populations of public market pricing against external data, allowing more comprehensive procedures than traditional sampling.

DISCUSSION OF AUDIT TIMELINE

Chief Financial Officer CHRISTOPHER NOVELL reviewed the audit and reporting timeline, noting that KPMG's letters to management and the ARMB are due by November 5, the GASB 68/75 pension and OPEB audits will begin October 6. Related reports are targeted for employer access by December 18, with distribution of the ACFRs (Annual Comprehensive Financial Reports) by December 29.

TRUSTEE WILLIAMS commented that the proposed October 9, 2026, audit committee meeting date may need to change due to a conflict with the Board's planned education conference.

AUDIT SECTION REPORT

MARK ROSIER, Acting Accountant V / Compliance Officer summarized the Division of Retirement and Benefits' internal audit activities, noting that the audit unit (currently operating with key vacancies) continues to review PERS and TRS employers for compliance with statutes, regulations, and federal code, including SBS/DCP and Social Security/Medicare where applicable. He reported a limited number of completed and in-process desk audits for recent fiscal years, highlighted recurring findings (such as unreported eligible employees, temporary hires exceeding two years, and unreported leave without pay), and described ongoing efforts to improve employer responsiveness and audit throughput despite staffing and operational challenges.

PERS TERMINATIONS – VOLUNTARY AND INVOLUNTARY

C. NOVELL provided an overview of PERS participation and termination rules, explaining that participation is mandatory for the State and voluntary for non-state employers, with several types of termination (full employer, group/classification, and individual position). He reviewed when a termination study is required (generally when a group or classification is removed), its typical cost ($4,000–$8,000), and its one-year period of validity. He described how one-time termination liability is calculated by the actuary as the difference between active and terminated liabilities and emphasized that employers remain responsible for ongoing past service costs until the plan's unfunded liability is eliminated (currently projected to FY 2039), often based on a 2008 salary "floor."

C. NOVELL also outlined required employer actions, including passing a resolution, meeting notice requirements to affected employees, and providing documentation, and noted historical data showing that some employers who terminate later seek to return, underscoring that termination does not erase an employer's pension obligations.

REPORT ON DELINQUENT / LATE FILING EMPLOYERS

C. NOVELL presented the list of delinquent PERS employers as of May 14, 2026, noting a range of underlying causes including cash-flow issues (e.g., City of Saxman) and significant reporting gaps (e.g., missing payrolls from Hydaburg for March 2023–August 2025). He outlined the interest collected and interest receivable by system and employer and confirmed that DRB staff are actively working with affected employers to resolve the delinquencies.

REVIEW OF ANY LEGAL MATTERS THAT MAY IMPACT FUND'S FINANCIAL STATEMENTS, THE ARMB'S COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS, AND ANY INQUIRIES RECEIVED FROM REGULATORS OR GOVERNMENTAL AGENCIES

BEN HOFMEISTER, Senior Assistant Attorney General and Counsel to ARMB, reported that he had nothing to report at this time. He then added that the Department of Law will conduct its broader annual inquiry with assistant attorneys general during audit season and coordinate with KPMG to determine if any issues are material. He assured the committee that any significant or material legal matter impacting the systems would be brought to the Board promptly, either at a regular quarterly meeting or a special meeting, if needed.

DOR – TREASURY DIVISION SOC1 – Reporting on Controls at a Service Organization

HUNTER ROMBERG, Acting Head of Investment Operations, with the Treasury Division reported that Treasury reviewed the SOC 1 reports for State Street (custodian) and NRS (plan accounting firm), which evaluate internal controls over financial reporting. She noted that State Street issues reports twice a year and NRS annually, and that all reports received clean, unmodified opinions, with no control issues requiring committee action.

Accounting / Financial Personnel Structure

PAMELA LEARY, Director of the Treasury Division, reported that Treasury is experiencing significant vacancies, with seven open positions (including upcoming departures of SCOTT JONES and GRANT FICEK) out of approximately 43 positions on the current org chart, following the removal of two positions from the budget. She further noted that, for ARMB-related functions specifically, this equates to about nine vacancies out of 39 staff, or nearly a quarter of the staff that support the Board. She explained that Treasury is working on a plan to restructure the investment operations team, including elevating H. ROMBERG to head of investment operations upon S. JONES' departure, and continues active recruitment despite budget and labor-market constraints. P. LEARY also highlighted the recent promotion of JAMES DAWSON within the cash management section.

TRUSTEE BRETZ requested a version of the organizational chart that shows positions that were removed.

DOA – DIVISION OF RETIREMENT AND BENEFITS PERSONNEL STRUCTURE

KATHY LEA, Director of the Division of Retirement and Benefits, reported that the Division, when fully staffed has about 125 employees across four main functional areas (Member Benefits, Health Plan Administration, Operations, and Finance). Currently, the Division has 24 vacancies, including several critical leadership roles (chief health official, chief operations officer, and internal audit lead plus another auditor). She explained that vacancies are spread across the Division, with particularly acute shortages in the Member Benefits contact center and operations/processing units. K. LEA noted that recruiting is hampered by a state hiring freeze, requiring waivers that can take three to five months to approve, and by relatively low pay in key ranges. She added that the planned transition from the legacy CRS system to BEARS in 2027 may improve the ability to recruit statewide and support major projects like BEARS user acceptance testing.

TRUSTEE BRETZ asked for salary information for these positions relative to industry benchmarks. K. LEA responded that a Division of Personnel salary study from two to three years ago contains the information and offered to provide it.

Investment Advisory Council members JOSH RABUCK and RUTH TRAYLOR asked how prolonged vacancies could affect operational risk, service levels, and the BEARS system implementation, particularly user acceptance testing (UAT). In response, K. LEA noted that, because DRB's work is largely mandated by statute or federal law, tasks cannot simply be stopped; instead, sustained vacancies would likely result in longer retirement processing timelines, delayed COLA and benefit adjustments, higher call wait times, and increased strain on existing staff. She acknowledged that BEARS testing capacity is also a concern but explained that DRB is insisting on a high accuracy threshold from the vendor before UAT, and the Commissioner of Administration is seeking funding for non-permanent support positions.

REVIEW OF COMMITTEE CHARTER & PERIODIC SELF-ASSESSMENT – No Comments.

FUTURE MEETINGS
TRUSTEE WILLIAMS noted a potential conflict between the October committee meeting date and the ARMB's investment education conference dates.

OTHER MATTERS TO PROPERLY COME BEFORE THE COMMITTEE – None.

PUBLIC / MEMBERS COMMENTS – None.

ADJOURNMENT
TRUSTEE KROHN moved to adjourn, seconded by TRUSTEE WILLIAMS. The meeting adjourned without objection at 10:21 a.m.

DRAFT

Division of Retirement & Benefits
Alaska Retirement Management Board

ARMB Audit Committee Meeting
September 14, 2026

Audit Unit Report

This report contains information on work performed through August 26, 2026, by the Division of Retirement and Benefits Audit Unit. The Audit Unit is a team of three positions under the supervision of CFO – Christopher Novell. The daily activities of the Audit Unit are overseen by Mark Rosier, Accountant V / Compliance Officer. The team also includes two Audit and Review Analyst II positions. These positions are currently vacant but approval to hire both positions has recently been granted and the process is moving forward.

A. Audit Unit Overview

The Audit Unit audits all PERS and TRS employers for compliance with State statutes, regulations, and federal code. Per the DRB financial statements for State Fiscal Year (SFY) 2026, there were 149 PERS and 56 TRS employers with employer contributions totaling $822.3 million.

The Audit Unit also audits for SBS-AP and DCP compliance (when applicable) and reviews employers' Social Security and Medicare withholding for compliance with mandatory and voluntary rules.

B. Audits Completed - Calendar Year to Date

	PERS Employers	TRS Employers
CY 2026	05	00
CY 2025	05	01
CY 2024	02	02
CY 2023	04	03
CY 2022	05	02
CY 2021	12	05
CY 2020	17	08
CY 2019	10	04
CY 2018	39	14
CY 2017	25	13
CY 2016	17	07

C. Audit Status - SFY 2026 and SFY 2027

Six (6) audits were completed in SFY 2026, one initiated in SFY 2024, two initiated in SFY 2025 and 3 initiated in SFY 2026.
To date, two (2) audits have been completed since the beginning of SFY 2027; both were initiated in SFY 2026. All completed audits were via desk.

Seven (7) audits are currently in process. Six (6) were initiated in SFY 2026 and one (1) was initiated in SFY 2027. Four (4) audits focus on compliance in the 2024 calendar year timeframe and three (3) focus on 2025. The audits currently in process are all being conducted as desk audits.

Audits Completed in SFY 2026	Audits Completed to-date in SFY 2027	Audits Ongoing in SFY 2026
Matanuska-Susitna Borough School District	Upper Kalskag, City of	Aleutian Region School District
Inter-Island Ferry Authority	Nome, City of	Bering Strait School District
Ketchikan Gateway Borough		Bering Straits Regional Housing Authority
Nome Joint Utility System		Sand Point, City of
Whittier, City of		Shaktoolik, City of
Toksook Bay, City of		Noorvik, City of
		Elim, City of

D. Audit Plan

Audits of the twenty-six (26) public employers listed below were targeted for SFY 2026. Of those 26, five (5) audits have been completed and seven (7) are currently in process. These employers were selected based on the time that elapsed since the most recently complete audit.

In SFY 2027, the audit team will continue to work toward auditing all employers on this list. It is expected that audit execution will pick up speed once the Audit & Review Analyst II positions are filled.

Assigned Auditor			
Vacant – A&R Analyst II		Vacant – A&R Analyst II	
Aleutian Region School District	Nome City School District	Alaska Housing Finance Corporation	Pribilof School District
Atka, City of	North Pole, City of	Chugach School District	Saint Mary's School District
Bering Strait School District	Sitka, City and Borough of	Haines Borough School District	Sand Point, City of
Bering Straits Reg. Housing Authority	Upper Kalskag, City of	Hoonah City School District	Shaktoolik, City of
Elim, City of	Valdez, City of	Nome Joint Utility System	Toksook Bay, City of
Hoonah, City of	Whittier, City of	Nome, City of	Valdez City School District
Kaltag, City of		Noorvik, City of	

E. Recent Audit Findings and Comments

Among recent audits we have identified the following findings:

- PERS-eligible employees not reported to DRB
- PERS-ineligible employees reported to DRB
- Failure to respond to audit findings within required timeframes
- PERS eligible earnings not reported to DRB
- Leave without pay periods not reported to PERS

Desk audits remain a significant source of delay, as slow employer responses continue to hinder timely completion of required testing and review procedures. These extended response times, combined with the growing impact of staffing shortages this quarter - specifically the two vacant analyst positions - have increasingly slowed overall audit execution and reduced throughput compared to prior years. With recent approval to fill these vacancies, the audit team expects both the pace and quality of completed audits to improve once the new analysts are hired, trained, and fully integrated into the workflow. In the interim, the team continues to explore strategies aimed at strengthening employer engagement and improving turnaround times to help mitigate these delays.

F. Other Duties Performed by Audit Unit

The Audit Unit houses the State Social Security Administrator (SSSA), who provides guidance to Alaska public employers regarding their participation in Social Security. Mark Rosier currently serves as sole SSSA for Alaska. He will be joined by another SSSA when the SSSA-designated, Audit & Review Analyst II position on the audit team is filled.

Division of Retirement & Benefits
Alaska Retirement Management Board

Audit / Defined Contribution Committees
September 14, 2026

Delinquent Employers

As identified below, the following employers were delinquent in filing their required payroll reports per Alaska Statute (AS) 39.35.610 and .770 [PERS] and AS 14.25.065 and .370 [TRS].

PERS employers delinquent reporting as of Wednesday August 26, 2026:

1. BRISTOL BAY BOROUGH SD - last reported PPE date Jun 14, 2026
2. CITY OF ATKA - last reported PPE date Feb 29, 2024
3. CITY OF KOTZEBUE - last reported PPE date Mar 15, 2026
4. CITY OF SAND POINT - last reported PPE date May 03, 2026
5. CITY OF SAXMAN - last reported PPE date Jan 15, 2026
6. CITY OF TANANA - last reported PPE date Aug 19, 2018
7. CITY OF TOKSOOK BAY - last reported PPE date Apr 20, 2025
8. CITY OF UPPER KALSKAG - last reported PPE date Dec 31, 2024
9. HYDABURG CITY SD - last reported PPE date Jul 31, 2026
10. LOWER KUSKOKWIM SD - last reported PPE date Jun 30, 2026
11. NORTH SLOPE BOROUGH - last reported PPE date Jun 11, 2026
12. SAXMAN SEAPORT - last reported PPE date Jun 30, 2023

** Missing payrolls between PPE Mar 31, 2023 - July 31, 2025*

The following PERS employers were delinquent in salary floor and interest annual billings:

1. City of Allakaket – amounts due starting FY 2016 estimate of $20,220
2. City of Nenana – amounts due starting FY 2014 estimate of $357,700
3. City of Noorvik – amounts due starting FY 2009 estimate of $1,063,800
4. City of St. George – amounts due starting FY 2009 estimate of $557,900

See the attached listing of the following reports based on interest due from employers:

1. Fiscal Year 2026 interest collected by System and employer
2. June 30, 2026 – interest receivable by employer

	PERS Late Fee Interest Income
Ilisagvik College	71.18
Northwest Inupiat Housing Authority	59.76
Yukon-Koyukuk Sd	31.61
Alaska Gateway Sd	21.16
Alaska Housing Finance Corporation	1,179.71
Bering Strait Sd	14,688.15
Bristol Bay Borough Sd	334.33
Bristol Bay Housing Authority	209.39
City And Borough Of Wrangell	150.88
City Of Akutan	51.13
City Of Barrow	161.75
City Of Fort Yukon	131.96
City Of King Cove	197.03
City Of Klawock	64.57
City Of Kotzebue	9,555.68
City Of Pelican	297.49
Lower Yukon Sd	574.33
Tlingit-Haida Regional Housing Authority	1,596.89
City Of Unalakleet	1,033.02
Total	**30,410.02**

	TRS Late Fee Interest Income
Kake City Sd	34.95
Yukon-Koyukuk Sd	71.06
Alaska Gateway Sd	74.41
Bering Strait Sd	13,064.09
Bristol Bay Borough Sd	467.15
Galena City Sd	1,319.83
Total	**15,031.49**

* As of 6/30/2026, All of FY26 quarter 4 late fee payments were clearing prior quarter billings.

	PERS Late Fee Receivable
Alaska Gateway Sd	177.91
Anchorage Sd	296,031.66
Bartlett Regional Hospital	101,798.59
Bering Strait Sd	1,057.13
Bristol Bay Borough	108.31
City And Borough Of Wrangell	93.64
City Of Anderson	571.45
City Of Barrow	294.40
City Of Delta Junction	61.43
City Of Fort Yukon	66.59
City Of Kotzebue	12,755.25
City Of Nenana	82,179.90
City Of Nome	1,269.76
City Of Pelican	6,140.14
City Of Sand Point	240.53
City Of Shaktoolik	189.29
Cordova City Sd	846.34
Galena City Sd	615.84
Hydaburg City Sd	6,121.10
Kake City Sd	224.78
North Slope Borough	3,728.71
Northwest Arctic Borough	119.55
Pribilof Sd	47.94
Saint Mary'S Sd	32.24
Sitka School District	53.81
Southwest Region Sd	170.83
Tlingit-Haida Regional Housing Authority	96.37
University Of Alaska	11,426.41
Wrangell Public Schools	415.56
Yukon-Koyukuk Sd	234.28
Total	**527,169.74**

	TRS Late Fee Receivable
Alaska Gateway Sd	39.51
Bering Strait Sd	1,858.09
Cordova City Sd	1,129.66
Galena City Sd	543.97
Hydaburg City Sd	6,869.91
Pribilof Sd	28.31
Saint Mary'S Sd	38.97
Sitka School District	31.41
Southwest Region Sd	316.98
University Of Alaska	1,722.05
Wrangell Public Schools	107.02
	12,685.88

Alaska Retirement Management Board
Discussion with those charged with Governance

Audit update for the year ending June 30, 2026

September 14, 2026

Audit update: Overview

Status of our audit as of September 14, 2026

Testing is in progress for:

- ARMB Invested Assets
- PERS, TRS and JRS
- NGNMRS, DCP and SBS
- Employer census data

Auditors' reports

- We anticipate issuing unmodified opinions for PERS, TRS, JRS, DCP, SBS and ARMB Invested Assets
- We anticipate issuing a disclaimer of opinion for NGNMRS

Findings and other matters

- **Uncorrected misstatements** – We expect to have one uncorrected misstatement related to the ARMB Invested Assets lag reporting (amount is not yet known)
- **Corrected misstatements** – None have been identified as of September 14, 2026
- We expect the material weakness related to NGNMRS census data to continue
- We do not currently expect any modifications to our audit plan presented in June

KPMG

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Required inquiries

- What are your views about fraud risks, including management override of controls, at the entity and whether you have taken any actions to respond to these risks?
- Are you aware of, or have you identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
- Are you aware of or have you received tips or complaints regarding the entity's financial reporting (including those received through the internal whistleblower program, if such program exists) and, if so, what was your response to such tips and complaints?
- How do you exercise oversight over management's assessment of fraud risk and the establishment of controls to address/mitigate fraud risks?
- Has the entity entered into any significant unusual transactions?
- Have there been any instances of actual or possible violations of laws and regulations, including illegal acts (irrespective of materiality threshold)?
- What is the audit committee's understanding of the entity's relationships and transactions with related parties that are significant to the entity?
- Does any member of the audit committee have concerns regarding relationships or transactions with related parties and, if so, what are the substance of those concerns?
- Has there been any correspondence with regulators or licensing authorities?

KPMG

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Questions?

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Learn about us:  kpmg.com

For additional information and audit committee resources, including National Audit Committee Peer Exchange series, a Quarterly webcast, and suggested publications, visit the KPMG Audit Committee Institute (ACI) at https://boardleadership.kpmg.us/audit-committee.html

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Division of Retirement & Benefits
Timeline for June 30, 2026 Audits -
Financial Statements
Annual Comprehensive Financial Reports
Other Audited Schedules

Item #	Day	June 30, 2026 Audit / Schedules			Responsible Parties	Activity
		Target Deadline	Revised Deadline	Date Completed		
Audits of PERS, TRS, JRS, NGNMRS, SBS, DCP, RHF, and GH&LF as of June 30, 2026						
					KPMG / DRB CFO / DOR	DRB and Treasury meet with Auditors to discuss upcoming audit season.
	Tuesday	June 9, 2026			KPMG	Auditors discuss upcoming audit plan / scope / schedule with ARMB Audit Committee.
	Friday	June 26, 2026			DRB	Notification to employers of upcoming census data audits and important dates.
	Friday	June 26, 2026			DRB	Audit process memos to be reviewed / updated by DRB.
	Tuesday	June 30, 2026			DRB / DOR	End of fiscal year.
	Wednesday	July 15, 2026			DRB	Provide all claims detail for fiscal year to Auditors.
	Wednesday	July 15, 2026			DRB	Provide all distribution, retiree warrant, premium details, and contribution (JRS, SBS and DCP) details through end of fiscal year.
	Wednesday	July 15, 2026			DRB	Cut-off procedures on revenue collections.
	Monday	July 20, 2026			KPMG	Auditors to begin communications with employers regarding census data audit requirements.
	Tuesday	July 21, 2026			DRB	Provide preliminary 4th quarter trial balances for all funds through June 30 to Auditors.
		Ongoing - Completed as confirmations and selections are sent to TPAs			DRB	Send out notification to all TPAs and contractors regarding upcoming external audit and notify them of data requests and deadlines.
	Monday	August 3, 2026			KPMG / DRB	Provide health claims testwork list to DRB.
	Monday	August 3, 2026			KPMG / DRB	Auditors begin interim fieldwork.
	Friday	August 7, 2026			DRB	Provide health claims testwork list to all third party administrators; all vendors will provide data via file upload.
	Friday	August 7, 2026			DRB	Request from Segal IBNR amounts for all health plans.
	Friday	August 14, 2026			KPMG	Auditors will begin remote audit of employer census details.

Division of Retirement & Benefits
Timeline for June 30, 2026 Audits -
Financial Statements
Annual Comprehensive Financial Reports
Other Audited Schedules

Item #	Day	June 30, 2026 Audit / Schedules			Responsible Parties	Activity
		Target Deadline	Revised Deadline	Date Completed		
	Friday	August 14, 2026			KPMG	Auditors scheduled to make selections and will communicate with employer to setup remote audits.
	Friday	August 14, 2026			KPMG	Employer census details due to Auditors.
	Friday	August 21, 2026			DRB	Provide PERS and TRS contribution detail to Auditors.
	Tuesday	August 25, 2026			Segal	Provide IBNR amounts for all health plans.
	Friday	August 28, 2026			KPMG / DRB	Auditors complete interim fieldwork.
	Monday	August 31, 2026			DRB / DOR	End of re-appropriation period.
	Tuesday	September 1, 2026			DRB	Obtain first version of trial balances for all plans / funds for audit workpapers and prepare audit binders.
	Friday	September 4, 2026			DRB	Provide Actuarial Valuation data files for all plans to Auditors for audit testwork.
	Monday	September 7, 2026			DRB	Complete audit workpapers and review for all plans / funds.
	Monday	September 7, 2026			KPMG	Auditors begin audit fieldwork.
	Monday	September 7, 2026			DRB / DOR	Obtain copies of DRAFT pension system invested assets financial statements from Treasury.
	Monday	September 7, 2026			Division of Finance	Provide last of cash wash and due to / due from transactions for all funds.
	Wednesday	September 9, 2026			DRB	Provide all journal entries to Division of Finance.
	Friday	September 11, 2026			DRB / Gallagher	Provide all preliminary financial statements to Gallagher for computation of GASB 67 / 74 plans Net Pension & Net OPEB liabilities for footnote disclosure.
	Monday	September 14, 2026			KPMG / DOR	Auditors meet with Audit Committee and ARMB to review audit of pension system invested assets (Treasury).
	Friday	September 18, 2026			DRB / DOR	Verify any changes to pension system invested assets financial statements provided earlier. Obtain copies of Treasury's FINAL pension system invested assets audited financial statements (earlier the better).

Division of Retirement & Benefits
Timeline for June 30, 2026 Audits -
Financial Statements
Annual Comprehensive Financial Reports
Other Audited Schedules

Item #	Day	June 30, 2026 Audit / Schedules			Responsible Parties	Activity
		Target Deadline	Revised Deadline	Date Completed		
	Friday	September 25, 2026			Gallagher	Provide GASB 67 / 74 plans Net Pension & OPEB liabilities for footnote disclosure to DRB / Auditors.
	Wednesday	September 30, 2026			DRB	Deliver complete DRAFT financial statements for all plans / funds to Auditors.
	Wednesday	September 30, 2026			KPMG	Auditors complete audit fieldwork.
	Wednesday	September 30, 2026			DRB	Provide DRAFT of audited financial statements to Division of Finance for State ACFR.
	Wednesday	October 7, 2026			DRB	Apply for the Public Pension Coordinating Council awards for Funding and Administration.
	Thursday	October 1, 2026			KPMG	DRAFT of audited financial statements received from Auditors for review and final comment.
	Monday	October 12, 2026			KPMG / DRB	Provide all financial statements to Audit Committee for review.
	Wednesday	October 14, 2026			KPMG / DRB / Audit Committee	**PROPOSED** - Audit Committee teleconference to discuss and obtain approval of DRAFT financial statements.
	Wednesday	October 14, 2026			KPMG / DRB	Finalize Audit Committee comments, Auditors reviewer comments, DRB final review comments, and insert into audited financial statements.
	Wednesday	October 14, 2026			KPMG / DRB	FINAL audited financial statements provided by Auditors. Copies provided to DOF and Division of Legislative Audit (DLA). Need PDF & Word Version.
	Wednesday	October 14, 2026			KPMG / DRB	Provide FINAL audited financial statements to DOF, DOR, Gallagher, and Legislative Audit.
	Wednesday	October 21, 2026			DRB	Audited financial statements posted to Division's website.
	Thursday	November 5, 2026			KPMG / DRB	All letters for management and ARMB are provided by Auditors. Copies provided to DOF and DLA.

Division of Retirement & Benefits
Timeline for June 30, 2026 Audits -
Financial Statements
Annual Comprehensive Financial Reports
Other Audited Schedules

Item #	Day	June 30, 2026 Audit / Schedules			Responsible Parties	Activity
		Target Deadline	Revised Deadline	Date Completed		
PERS and TRS ACFRs as of June 30, 2026						
	Friday	June 26, 2026			Gallagher / DRB	Obtain from consulting actuary FINAL June 30, 2025 actuarial valuation reports to prepare "Actuarial Section" information for PERS and TRS ACFRs.
	Friday	August 21, 2026			DRB / DOR	Treasury Division provides requested "Investment Section" information for PERS and TRS ACFRs.
	Thursday	November 12, 2026			KPMG / DRB	PERS and TRS draft ACFRs are provided to Auditors and Commissioner's Office for review.
	Thursday	November 19, 2026			KPMG / DRB	Final comments from Auditors on PERS and TRS ACFRs.
	Thursday	November 19, 2026			DOA / DRB	Final comments from Commissioner's office on PERS and TRS ACFRs.
	Thursday	December 3, 2026			KPMG / DRB	Auditors provide approval to finalize PERS and TRS ACFRs, provide updated audit opinion letter.
	Wednesday / Thursday	December 2 - 3, 2026			KPMG / DRB	"Report of Audit Results" presentation to the Audit Committee and ARMB.
	Tuesday	December 8, 2026			DRB	PERS and TRS ACFRs available for distribution to recipients by December 27.
	Thursday	December 10, 2026			DRB	PERS and TRS ACFRs finalized and prepared for printing.
	Tuesday	December 22, 2026			DRB	PERS and TRS ACFRs are submitted to GFOA for inclusion in the Certificate of Achievement for Excellence in Financial Report program.
	Tuesday	December 29, 2026			DRB	Distribution of ACFRs and all bound division financial statements based on distribution list. All financial statements should be mailed by December 31.

Division of Retirement & Benefits
Timeline for June 30, 2026 Audits -
Financial Statements
Annual Comprehensive Financial Reports
Other Audited Schedules

Item #	Day	June 30, 2026 Audit / Schedules			Responsible Parties	Activity
		Target Deadline	Revised Deadline	Date Completed		
Audits of PERS and TRS GASB 68 / 75 schedules as of June 30, 2026						
A	Tuesday	October 6, 2026			DRB	GASB 68 / 75 PERS & TRS Pension / OPEB data to Gallagher - FY 2026 employer contributions.
B	Thursday	October 29, 2026			Gallagher	GASB 68 / 75 reports to DRB & Auditors
C	Wednesday	November 25, 2026			Gallagher / KPMG / DRB	Complete field work of GASB 68 / 75 PERS & TRS schedules
D	Wednesday	November 25, 2026			KPMG / DRB	Complete FINAL DRAFT GASB 68 / 75 reports to Audit Committee
E	Wednesday	December 2, 2026			DRB	Discuss FINAL DRAFT GASB 68 / 75 schedules with Audit Committee
F	Friday	December 4, 2026			Gallagher / KPMG / DRB	Complete any GASB 68 / 75 updates from Audit Committee discussion; complete review and sign off for final presentation.
G	Friday	December 18, 2026			KPMG / DRB	FINAL June 30, 2026 GASB 68 / 75 reports issued to participating employers via website

Alaska Retirement Management Board

Audit Committee

2026 SCHEDULE of REMAINING MEETINGS

October 12, 2026 (Videoconference)*

1. DRB Financial Statements

December 1, 2026 (Videoconference)

1. Meet with Independent Auditors to review final audit of pension systems Charter A 2-3, B 3- 4-5
2. Committee only meeting with Independent Auditors Charter B 6
3. June 30, 2026 PERS / TRS GASB 68 and 75 Audited Schedules
4. Report on Delinquent/ Late Filing Employers
5. Committee Performance Self-Assessment. Charter A 7

Periodic and As-Needed Meeting Topics

1. Annual review with DRB on Independent Auditor procurement and contract (including review of independence and performance of auditors). Charter B 1
2. Updates by DRB on actuary procurement and second review/audits.
3. Custodian report and procedures review – augmented by staff reports. Biannual or as needed.
4. Regular reports by DRB on Employer Audit Program. Review list of completed audits, audit schedule, rotation, and significant findings/results. Identifying any recurring findings.
5. Regular reports on compliance:
    - "Back Office" compliance review programs.
    - Investment staff programs and procedures on real estate and alternative investment valuation monitoring and checks.
    - Annual Presentation
6. Audit Committee training on special topics

** The October 12, 2026 meeting date is tentative and will be confirmed at the September 14, 2026 meeting.*

Revised August 2026

Alaska Retirement Management Board

Audit Committee

2027 SCHEDULE OF MEETINGS

March 16, 2027 (Juneau / Videoconference)

1. Meet with DRB and Treasury staff.
2. Report from DRB on Employer Audit Program. Review list of completed audits, audit schedule, rotation, and significant findings/results. Identify any recurring findings.
3. Report on Delinquent/ Late Filing Employers
4. Report from Treasury Compliance Officer

June 8, 2027 (Anchorage / Videoconference)

1. Review Auditor's audit plan of assets (Treasury) and pension systems and liabilities (Division of Retirement and Benefits). Charter B 2
2. Review with Staff (DOR and DRB) and Independent Auditors scope of audit, sensitive and risk areas, and compliance. Charter B 2
3. Report on Delinquent/ Late Filing Employers
4. Audit Committee opportunity to ask auditors to focus on areas of interest/review
5. Review Legal Issues and Regulations with Legal Counsel. Charter A 5
6. Review Organizational Charts, and Financial and accounting personnel succession. Charter A 6
7. Review Audit Committee Charter. Charter A 1
8. Committee Performance Self-Assessment. Charter A 7

September 21, 2027 (Fairbanks / Videoconference)

1. Meet with Independent Auditors to receive and review draft audit of pension system invested assets. Charter A 2-3, B 3-4-5
2. Committee only meeting with auditors without management Charter B 6
3. Report on Delinquent/ Late Filing Employers

October TBD, 2027 (Videoconference)

1. DRB Financial Statements

November 30, 2027 (Anchorage / Videoconference)

1. Meet with Independent Auditors to review final audit of pension systems Charter A 2-3, B 3- 4-5
2. Committee only meeting with Independent Auditors Charter B 6
3. June 30, 2027 PERS / TRS GASB 68 and 75 Audited Schedules
4. Report on Delinquent/ Late Filing Employers
5. Committee Performance Self-Assessment. Charter A 7

Periodic and As-Needed Meeting Topics

1. Annual review with DRB on Independent Auditor procurement and contract (including review of independence and performance of auditors). Charter B 1
2. Updates by DRB on actuary procurement and second review/audits.
3. Custodian report and procedures review – augmented by staff reports. Biannual or as needed.
4. Regular reports by DRB on Employer Audit Program. Review list of completed audits, audit schedule, rotation, and significant findings/results. Identifying any recurring findings.

Approved June 10, 2026

Periodic and As-Needed Meeting Topics (continued)

5. Regular reports on compliance:
    - "Back Office" compliance review programs.
    - Investment staff programs and procedures on real estate and alternative investment valuation monitoring and checks.
    - Annual Presentation
6. Audit Committee training on special topics

Charter of the Audit Committee of the Board of Trustees of the Alaska Retirement Management Board

I. Audit Committee Purpose.

The Audit Committee provides independent oversight of the integrity of the Alaska Retirement Management Board's financial statements and reporting, systems of internal controls, and compliance with legal and regulatory requirements. It also serves as a conduit of communication among the independent auditors, asset, liability and investment management, the chief financial officers, and the Board of Trustees.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors, as well as ARMB management and staff, legal counsel, and asset managers. The Committee may retain, at the expense of the ARMB and consistent with applicable procurement requirements, special legal, accounting, or other consultants or experts it considers necessary in the performance of its duties.

II. Audit Committee Responsibilities and Duties.

A. The Committee shall carry out the following review responsibilities:

1. Review and assess the adequacy of this Charter at least annually and submit recommended changes to it to the Board of Trustees for approval.

2. Review the annual audited financial statements prior to filing or distribution of the final report. This review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices, and judgments.

3. In consultation with management, the independent auditors, and the chief financial officers, consider the integrity of the financial reporting processes and controls; discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures; and review significant findings prepared by the independent auditors and the chief financial officers together with management's responses.

4. Discuss any significant changes to applicable accounting principles and any items required to be communicated by the independent auditors.

5. At least annually, review with the ARMB's counsel any legal matters that could have a significant impact on the Fund's financial statements, the ARMB's compliance with applicable laws and regulations, and any inquiries received from regulators or governmental agencies.

6. Review financial and accounting personnel succession planning within the ARMB.

7. Periodically perform self-assessment of the Committee's performance.

B. The Committee is recognized as a direct avenue for the reporting of any material or significant finding by the Treasury Division Compliance Office. The Chair of the Committee shall be the primary contact with the external auditors between meetings of the Committee if communications between the external auditors and the Committee are deemed necessary or desirable.

C. The Committee shall have the following responsibilities with respect to the ARMB's independent auditors:

1. Review the independence and performance of the auditors and periodically recommend to the Board of Trustees the appointment of the independent auditors or approve any discharge of auditors when circumstances warrant.

2. Review the independent auditors' audit plan - discuss scope, staffing, locations, reliance upon management, and general audit approach.

3. Discuss with management and the independent auditors the accounting principles and underlying estimates used in the preparation of the Fund’s financial statements.

4. Review the external auditor’s management letter to the ARMB and discuss the contents with the auditors and monitor the follow-up on significant observations, findings and recommendations.

5. Discuss with the independent auditors the clarity of the financial disclosure practices used or proposed by the ARMB.

6. Meet with the auditors, in the absence of management, to review findings, recommendations or other pertinent subjects.

D. In addition to the foregoing, the Committee shall:

1. Perform such other activities consistent with this Charter, and governing law as the Committee considers necessary or appropriate or as the Board of Trustees may otherwise request.

2. Maintain minutes of Committee meetings and periodically report to the Board of Trustees on significant results of the Committee's activities.

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