



Audit Committee Meeting

June 11, 2026

COMMITTEE MEMBERS

Jennifer Longtin, Chair

Phyllis Harrington, Eric Iberger, David Keefe, Donald A. Little III

Audit Committee Financial Expert

Susan Landauer

AGENDA p.

Call to Order by Chair

- A. Approve Minutes of the April 29, 2026 Meeting pp.1-2
- B. Internal Audit Update pp.3-9
- C. Executive Session (motion for **Executive Session** pursuant to Section 105(1) (f) of the Open Meetings Law to discuss personnel matters and the financial or employment history of a particular person or corporation)

NEW YORK STATE  
TEACHERS' RETIREMENT SYSTEM  
Audit Committee Meeting

A meeting of the Audit Committee of the New York State Teachers' Retirement System was held at the System on April 29, 2026.

Committee Members: Eric Iberger, David Keefe, Jennifer Longtin, Donald A. Little III

Board Members: Scott Levy, Natalie McKay, Nicholas Smirensky

NYSTRS Staff: Thomas K. Lee, Don Ampansiri, Kathy Ebert, Bruce Woolley, Teddi Kaczmarek, Darlene Dempsey, Maria Bruce, Shannon Bonesteel, Christopher O'Grady, Christopher Brown, Mike Morrell, Melody Prangley

Audit Committee Advisor (via MS Teams): Sue Landauer

Plante Moran (via MS Teams): Jean Young, Jake Talarek

Cohn Reznick (via MS Team): Courtney Klinga

J. Longtin, Chair, called the meeting to order at 4:23 p.m.

1. Approval of Minutes from January 28, 2026

Upon motion of D. Little seconded by E. Iberger and unanimously carried, the Committee approved the minutes of the January 28, 2026 meeting.

2. Audit Plan for Fiscal Year Ending June 30, 2026 Financial Statements

J. Young and J. Talarek from Plante Moran discussed the responsibilities and timeline involved in performing the upcoming audit (Appendix A, pp. 3-18).

3. Status Report on Audits of NYSTRS Wholly Owned Real Estate Investment Accounts

C. Klinga from CohnReznick provided a report on the results of the audit findings for the years ended June 30, 2025 and December 31, 2025 and discussed plans to perform audits for the year ended June 30, 2026 (Appendix B pp. 19-39).

4. Internal Audit Update

K. Ebert and staff provided updates on recently completed internal audits performed.

5. Executive Session

Upon motion of D. Little, seconded by D. Keefe and unanimously carried, the Committee went into Executive Session at 4:46 p.m. to discuss personnel matters. With unanimous consent, the Committee came out of Executive Session at 5:05 p.m.

There being no further business, and with unanimous consent, the meeting adjourned at 5:06 p.m.

Respectfully submitted,

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Thomas K. Lee



New York State  
Teachers'  
Retirement  
System

# Internal Audit Update

Audit Committee June 11, 2026

*Kathy Ebert, CPA, CIA*  
*Managing Director of Internal Audit*

# REPORT HIGHLIGHTS

## Information Technology Asset Management

### Engagement Objectives

The objective of this engagement was to provide reasonable assurance that controls to track, maintain, and dispose of hardware devices that access information systems are properly designed and operating effectively.

### Risk

There is a risk that IT assets may not be accurately recorded, monitored, or appropriately disposed of. This risk is assessed as medium.

### Background

#### Responsible Department & Unit

Information Technology (IT) Department

- Service Desk Unit
- Network & Communications Unit
- IT Security Unit
- Virtual Server & Storage Unit

Facility Services Department

- Mailroom Unit

IT maintains an inventory of over 8,600 devices.

The Service Desk Unit is responsible for maintaining the IT asset management system, performing inventory counts, and deploying office, mobile, and work from home devices for employee use.

The IT Security Unit, Virtual Server & Storage Unit, and Network & Communications Units manage and account for IT devices specific to their operations.

The Mailroom Unit supports device onboarding by receiving, tagging, and distributing equipment to IT.

**Audit Period** - October 27, 2025, representing the most current and complete population available at the time of testing.

## Numbers at a Glance

Total Devices:

Category*	Population	Sample
Peripherals and Accessories	3,408	69
Computing Devices	2,435	60
Audio/Video and Communication	1,639	63
Power Equipment	521	5
Networking Devices	516	8
Miscellaneous	142	0
<b>Total</b>	<b>8,661</b>	<b>205</b>

\* The following are some examples of the devices

Category	Examples
Peripherals and Accessories	Printers, monitors, scanners
Computing Devices	Laptops, desktops, smartphones
Audio/Video and Communication	Digital video equipment, projectors, desk phones, headsets, flat screen tv
Power Equipment	Uninterrupted power supply (UPS), power distribution devices
Networking Devices	Routers, switches, servers, access points
Miscellaneous	Rolling carts, tripods

# REPORT HIGHLIGHTS

## Private Equity and Private Debt Portfolio Management

### Engagement Objectives

The objective of this engagement was to provide reasonable assurance that controls supporting the selection of private equity and debt funds are properly designed and ensure compliance with the Investment Policy Manual (IPM).

### Risk

There is a risk that private equity and debt fund managers are selected and commitments made without adequate due diligence, proper authorization, or in a manner inconsistent with the IPM. This risk is assessed at low.

### Background

#### Responsible Department & Unit

Private Equity Department

The Private Equity Department is responsible for sourcing, evaluating, and recommending high-quality private equity and debt opportunities to the Internal Investment Committee (IIC) and the Investment Committee of the Retirement Board for approval if the investment exceeds certain thresholds.

The department manages the full investment lifecycle from initial screening and due diligence through commitment execution and monitoring, working in coordination with the IIC, Legal, Investment Operations, and the System's non-discretionary private equity and debt consultant.

**Audit Period** - January 1 to December 31, 2025

### Numbers at a Glance

Private equity and debt commitments closed during 2025.

	Count	Commitment (\$)
Population	19	\$2.7B
Sample	6	\$1.1B

# REPORT HIGHLIGHTS

## Disability Retirement

### Engagement Objectives

The objective of this engagement was to provide reasonable assurance that controls to (1) create disability retirement payments are accurate and complete; and (2) maintain disability retirement benefits are properly designed and operating effectively.

### Risk

There is a risk that disability retirement benefits are not accurate or complete and disabled retirees are gainfully employed. This risk is assessed as low.

### Background

#### Responsible Department & Unit

Member Benefits Department

- Death & Disability Unit

The Death & Disability Unit (Unit) is responsible for the following:

- Processing disability retirement applications
- Communicating with members
- Handling phone inquiries from members and medical professionals
- Preparing files for monthly Medical Board review
- Calculating disability retirement benefits
- Requesting, reviewing and monitoring responses to earnings after retirement.

**Audit Period** – October 1, 2024 to September 30, 2025

## Numbers at a Glance

Over \$50 million is paid for disability retirement benefits each year.

Final disability retirement calculations during the audit period.

	<b>Count</b>	<b>Monthly Amount</b>
<b>Population</b>	138	\$353,839
<b>Sample</b>	40	\$94,677

Earnings after retirement request letters sent during the audit period.

	<b>Count</b>
<b>Population</b>	1,665
<b>Sample</b>	35

# REPORT HIGHLIGHTS

## Prior Service Credit

### Engagement Objectives

The objective of this engagement was to provide reasonable assurance that controls to verify prior service credit posted to a member’s account are properly designed and operating effectively.

### Risk

There is a risk that prior service credit posted may not be accurate or complete. This risk is assessed as low.

### Background

#### Responsible Department & Unit

Member & Employer Services (MES)

- Prior/Military Service Unit (the Unit)

The Unit is responsible for:

- Reviewing requests to determine whether a member is eligible to purchase service prior to their date of membership.
- Verifying salary and service from the participating employer.
- Calculating the cost of contributions on salary from the date service was rendered until the date the payment is received.
- Posting the payment received to a member’s contribution account and salary and service that can be used in future benefits.

**Audit Period** – April 1, 2025 through March 31, 2026

### Numbers at a Glance

Prior service transactions during the period.

	Count	Commitment (\$)
Population	6,516	\$2.2M
Sample	74	\$43.8K