

**AGENDA ITEM DETAILS**

**Subject:** Review of External Audit Reports  
• Audit Report of the Employee's Retirement System's Fiscal Year 2020 Financial Statements

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**BACKGROUND**

A financial audit of the Employees Retirement System of Texas' (ERS) Comprehensive Annual Financial Report (CAFR) was performed by CliftonLarsonAllen for the year ended August 31, 2020.

The Independent Auditor's Report dated December 18, 2020, included in the agenda item as Exhibit A, reported ERS' basic financial statements for Fiscal Year 2020 were materially correct and presented in accordance with accounting principles generally accepted in the United States of America.

The Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, identified no deficiencies in internal control over the financial reporting that were considered to be material weaknesses. Nor were any instances of noncompliance with laws or regulations that materially affected the financial statements identified. This report is included as Exhibit B.

**ATTACHMENTS:**

1. Exhibit A – Independent Auditor's Report
2. Exhibit B – Report on Internal Controls
3. Slides – External Audit Reports