

AGENDA ITEM DETAILS

Subject: Consideration of External Audit Reports
• Audit Report of the Employee's Retirement System's Fiscal Year 2023 Financial Statements

Background:

A financial audit of the Employees Retirement System of Texas' (ERS) Annual Comprehensive Financial Report for the year ended August 31, 2023 was performed by CliftonLarsonAllen. The Independent Auditor's Report, dated February 16, 2024 reported that ERS' basic financial statements for Fiscal Year 2023 were materially correct, and were presented in accordance with accounting principles generally accepted in the United States of America. The report is attached to this agenda item as **Exhibit A**.

The Auditor's Report identified material weaknesses and one significant deficiency in internal controls over the financial reporting described in the report on Internal Controls over Financial Reporting and on Compliance with Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. There were no 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