



Legislative Post Audit Financial Audit Report Highlights

Kansas Public Employees Retirement System:
Financial Audit of Fiscal Year 2012

Report Highlights

December 2012 • R-12-014

Summary of Legal Requirements

State law requires an annual financial audit of the Kansas Public Employees Retirement System. This year's audit was conducted by Cochran Head Vick & Co., P.A., a CPA firm under contract with the Legislative Division of Post Audit.

Background Information

KPERS provides three statewide defined-benefit retirement plans for more than 280,000 active, inactive and retired state and local public employees:

- *Kansas Public Employees Retirement System*
- *Kansas Police and Firemen's Retirement System*
- *Kansas Retirement System for Judges*

In addition to retirement benefits, KPERS provides basic and optional life insurance and disability benefits for active members.

AUDIT OBJECTIVES: Financial audits done in accordance with government audit standards assess (1) whether the audited organization's financial statements are fairly presented in accordance with applicable accounting principles, (2) whether there are any significant problems with the organization's internal controls, and (3) whether the organization complied with applicable legal requirements.

- The auditors expressed an unqualified opinion on the financial statements, meaning that the financial statements present KPERS' financial position fairly in all material respects and in conformity with generally accepted accounting principles.
- The auditors did not report any significant deficiencies in KPERS' internal control over financial reporting.
- The audit disclosed no instances of noncompliance with applicable legal requirements that were material to KPERS' financial statements.

SUMMARY OF RECOMMENDATIONS:

- The auditors made no recommendations.

HOW DO I GET AN AUDIT APPROVED?

By law, individual legislators, legislative committees, or the Governor may request an audit, but any audit work conducted by the Division must be approved by the Legislative Post Audit Committee, a 10-member committee that oversees the Division's work. Any legislator who would like to request an audit should contact the Division directly at (785) 296-3792.

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