

STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
AND
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BOARD OF PENSION TRUSTEES
AUDIT COMMITTEE
PUBLIC MINUTES OF FEBRUARY 13, 2026

The meeting of the Audit Committee was called to order by Joseph Seibert, Chair, at 9:02 a.m., via video and teleconferencing.

Committee Members Present

Joseph Seibert, Chair
Timothy Snyder
Tom Vermeer

Committee Members Absent

Gigi Maniyatte
Maria Hurd

Others Present

Joanna Adams, Pension Office
Stephenie Tatman, Pension Office
Tammy LeCates, Pension Office
Arian Daniels, Pension Office
Josh Hitchens, Pension Office
Antonia Kramer, Pension Office
William Tate, Deputy Attorney General

Sophia Smith, Windmark Investment Partners
Scott Warnetski, BDO USA, P.C.
Morgan Chako, BDO USA, P.C.
Jason Freund, KPMG
Michael Devitis, KPMG

1. OPENING COMMENTS:

J. Seibert welcomed everyone to the first Audit Committee meeting of 2026 and conducted a roll call.

2. PUBLIC COMMENT

Nothing to report.

3. APPROVAL OF THE MINUTES:

The Audit Committee reviewed the Public Minutes of the November 14, 2025, meeting.

MOTION made by T. Snyder and seconded by T. Vermeer to approve the Public Minutes of the November 14, 2025, meeting.

MOTION ADOPTED UNANIMOUSLY

MOTION made by T. Vermeer and seconded by T. Snyder to move into Executive Session for the purpose of discussing confidential financial information, sensitive commercial information, proprietary business information, internal audit reports, and preliminary external audit reports.

MOTION ADOPTED UNANIMOUSLY

The Audit Committee then moved to enter into Executive Session at 9:25 a.m.

MOTION made by T. Vermeer and seconded by T. Snyder to exit Executive Session.

MOTION ADOPTED UNANIMOUSLY

The Audit Committee reviewed the Executive Minutes of the November 14, 2025, meeting during Executive Session.

MOTION made by T. Vermeer and seconded by T. Snyder to approve the Executive Minutes of the November 14, 2025 as amended.

MOTION ADOPTED UNANIMOUSLY

4. EXTERNAL AUDIT REPORT

The GASB 68 and 75 updates were discussed in executive session.

5. INTERNAL AUDIT REPORT

The Internal Audit Reports were discussed in executive session.

6. PENSION ADMINISTRATOR'S REPORT

LEGISLATIVE UPDATE:

J. Adams shared House Substitute 1 for House Bill 2 introduced by Representative Carson increases the burial benefits from \$7,000 to \$8,000. The actuarial valuation increases costs by \$14.5 million. House Bill 236 sponsored by Representative Wilson-Anton was heard in the House Judiciary Committee. This bill mandates all future EMTs to join the County Municipal Police & Firefighters Plan instead of the County Municipal General Plan.

ERP MODERNIZATION PROJECT:

J. Adams shared a Joint Steering Committee meeting, which included representation from Computer Aid, Inc., Office of Pensions, TELUS Health, Department of Technology and Information and Linea Solutions, was held on Wednesday, February 11, 2026. The overall project scored green, meaning the project is on track. The project team continues to focus on workshops and data conversion. Phase 2 is

approximately forty percent completed with 11 out of 29 workshops completed and 546 of 1,310 requirements reviewed. Phase 3 is also running simultaneously. Two potential gaps currently exist that need to be reviewed. Organizational Change Management has sent a communication to all employers to identify “change champions” for their organization. Linea Solutions, the Independent Verification and Validation vendor, also classifies the project as green. Linea Solutions continues to monitor eight domains, such as, Deliverables and Document Review, Risks and Issues, Data Conversion, etc. DTI was requiring FedRAMP certification. The technical lead from the Governor’s Office has confirmed that TELUS Health is not required to be FedRAMP certified, which requires the contract with TELUS Health to be amended. TELUS Health has completed the legal review of the contract revisions related to FedRAMP and continues to review the associated changes to the Statement of Work.

BOARD OF PENSION TRUSTEES UPDATE:

J. Adams recognized S. Tatman and T. LeCates for their work while she was out of the office.

In November, BDO presented the Fiscal Year 25 External Audit for the Trust and OPEB where we received clean financial statements. J. Adams also presented an ERP Modernization update to the Board.

In December, the Board meeting was held after the Investment Committee meeting on Tuesday, December 16, 2025. Noubar Afevan, founder and CEO of Flagship Pioneering, a biotechnology company, presented to the Investment Committee and Board members. Glen Reagan joined the Investment Committee. J. Adams presented an ERP Modernization Project update to the Board and the Office of Pensions 2025 Successes:

1. DPERS received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 29th consecutive year and the Public Pension Coordinating Council Award for the 22nd consecutive year. Successfully completed the Fiscal Year 25 Financial Audit and Annual Comprehensive Financial Report issued with no modified opinions.
2. Expanded Retirement Centralization to include 25 organizations, more than doubling the number of organizations from last year. This transitions the retirement onboarding process away from the agency HR representative to direct access with the subject matter experts within the Office of Pensions.
3. Finalized the Request for Proposal, proposal evaluation, vendor demonstrations and contract negotiations for the Pension Administration System and Independent Verification and Validation (IV&V). TELUS Health was contracted for the Pension Administration System and Linea Solutions was contracted for IV&V services. Project kick-off was held on September 30, 2025. Phase 1 has been completed. Phase 2 and Phase 3 have begun and will run simultaneously until complete.
4. Completed the Summary Plan Descriptions for the County and Municipal Employees’ Pension Plan.
5. Completed data cleanup of more than 344,000 records of legacy data in preparation for the ERP Modernization project.
6. Converted the weekly Aetna interface into the 834 format, a standard file format used for electronically exchanging health plan enrollment data between the Office of Pensions and Aetna.
7. Published the Comprehensive Annual Statement for active employees and the Retiree Annual Statement for retirees and future retirees online to reduce printing and mailing expenses.

8. Improved processing times for service verifications of submitted pension applications and payee creation.
9. Incorporated the front desk services into the Contact Center, stabilizing and standardizing key customer support operations.
10. Upgraded 150 devices to Windows 11.
11. Completed the monthly pension benefit calculation for the backlogged vested pension applications received prior to January 1, 2023.
12. Created a new mailbox to receive emailed forms and automated the process to index the forms into the imaging system.

J. Adams acknowledged the Office of Pensions has made tremendous progress over the last six years and continues to seek opportunities for improvement.

In January, Melanie Carroll was recognized as the Employee of the Quarter. The Communications Committee published Active and Retiree newsletters that were also distributed to the Board. J. Adams shared a legislative update with the Board and presented an ERP Modernization Project update.

S. Tatman shared the vested team is wrapping up the vested project. There are about 500 applications remaining compared to over 3,000 when they started. Once this project is complete, the team will begin reviewing data prior to 1999 which is when the current pension administration system was implemented. The goal will be to review the data prior to 1999 and validate it before it is integrated into the new system.

7. DEPUTY ATTORNEY GENERAL REPORT

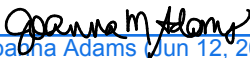
Nothing to report.

8. ADJOURNMENT

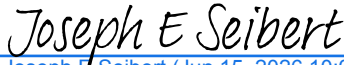
At 10:02 a.m., there being no further business:

MOTION was made by T. Vermeer and seconded by T. Snyder to adjourn the meeting.

MOTION ADOPTED UNANIMOUSLY
Respectfully submitted,


Joanna Adams (Jun 12, 2026 08:23:49 EDT)

Joanna Adams
Pension Administrator


Joseph E. Seibert (Jun 15, 2026 10:03:31 EDT)
Joseph Seibert, Chair
Audit Committee