

2023-24 Enterprise Compliance & Risk Management Plan

Presented
to
Risk and Audit Committee

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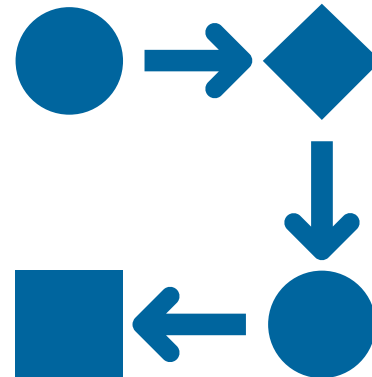
Goal

Mature best-in-class enterprise compliance and risk program, utilizing integrated technology systems, people, and process capabilities to manage and mitigate compliance and ethics risks.

Priorities



- Continue to strengthen compliance team

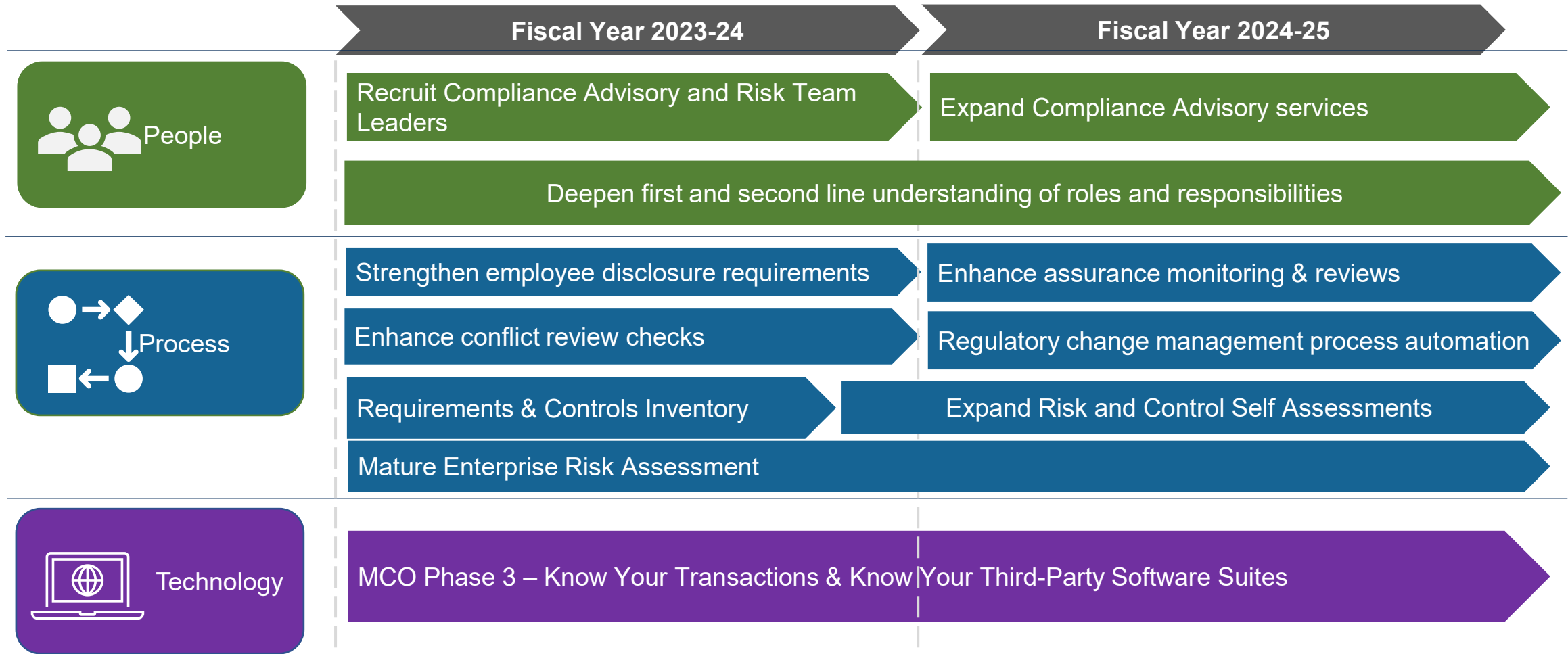


- New Reporting, Monitoring, & Assurance Processes



- eGRC Technology Platform

2023-25 Roadmap



Objective FY 2023-24

Assess CalPERS' compliance and risk management functions and prioritize initiatives that will modernize the systems, tools, and surveillance capabilities.

Initiative 1

Build out Enterprise Compliance and Risk Management Technology and tools in support of Best-in-Class compliance and Risk Management Program (Multi-Year)

- 1.1. Establish a centralized Governance Risk and Controls Platform (MCO). (Multi-Year)
- 1.2. Enhance risk reporting metrics and tools to support enhancement of Enterprise Compliance and Risk Program. (Multi-Year)

Initiative 2

Enable CalPERS to better assess risk within the program areas and provide aggregated reporting at the Enterprise Level. (Multi-Year)

- 2.1. Develop First Line Risk and Control Self-Assessment Process in collaboration with the First Line of Defense within Each Division. (Multi-Year)
- 2.2. Conduct the Annual Enterprise Risk Assessment, including a review of risk appetite, dashboard, profiles, heat map, and developing risks. (Multi-Year)

Initiative 3

Enhance assurance, monitoring, and issues remediation capabilities to minimize compliance risks. (Multi-Year)

- 3.1. Enhance monitoring of Conflicts of Interest (Multi-Year)
- 3.2 Support Risk Management initiatives across the enterprise in partnership with all first line units (Multi-Year)

Initiative 4

Educate and cultivate ethical and risk-intelligent culture and practices amongst CalPERS team members. (Multi-Year)

- 4.1. Enhance Compliance and Risk Training Programs across the organization. (Multi-Year)
- 4.2 Establish Formal Compliance and Risk Advisory Teams aligned with Divisions. (Multi-Year)

Questions