



Board of Administration

Agenda Item 9b

February 15, 2022

Item Name: Fiduciary Counsel Pool

Program: Board Governance

Item Type: Action Consent

Recommendation

Approve adding Olson Remcho LLP (subject to successful contract negotiation) to the new external fiduciary counsel pool in place of one of the firms the Board had previously selected.

Executive Summary

In June 2021, the CalPERS Board of Administration (Board) approved creating a new pool of external fiduciary counsel, and selected three firms – Nossaman LLP, Pillsbury Winthrop Shaw Pittman LLP, and Hanson Bridgett – to constitute that pool, subject to management’s successful contract negotiations with each. CalPERS has now executed contracts with two of the three firms (Nossaman and Pillsbury) but has not concluded a contract with Hanson Bridgett due to certain conflicts of interest arising from that firm’s representation of parties in various matters who are or may be adverse to CalPERS. Accordingly, we now recommend adding Olson Remcho LLP to the pool in place of Hanson Bridgett in order to fill out the new pool of fiduciary counsel.

Background

Historically, CalPERS has retained external fiduciary counsel to respond to requests for legal opinions and advice from the Board and management. CalPERS released its last solicitation for fiduciary counsel in December 2020. In June 2021, the Board approved adding Nossaman LLP, Pillsbury Winthrop Shaw Pittman LLP, and Hanson Bridgett to the new fiduciary counsel pool. The June 2021 agenda item is attached to this item as Attachment 1. The Board’s approval was subject to successful contract negotiation with each firm. Unfortunately, CalPERS was not successful in its contract negotiations with Hanson Bridgett because certain conflicts of interest could not be resolved to management’s satisfaction.

Analysis

Olson Remcho LLP has considerable experience advising California public pension plans on a wide variety of general fiduciary and plan administration issues. The firm currently participates in

a fiduciary counsel pool for CalSTRS, the Los Angeles County Employees' Retirement Association, and the Los Angeles City Retirement System. Its team's attorneys are based in California. Adding Olson Remcho LLP to the pool will provide another experienced firm from which CalPERS can draw should the need arise.

Budget and Fiscal Impacts

The cost for these services will vary based on the fees negotiated with the firm and the services performed.

Benefits and Risks

Adding Olson Remcho LLP to the pool of external fiduciary counsel would provide CalPERS with additional access to an external firm with specific expertise and availability in fiduciary matters.

Attachments

Attachment 1 – June 16, 2021 Board of Administration Agenda Item 9f

Matthew G. Jacobs
General Counsel

Marcie Frost
Chief Executive Officer