

Enterprise Risk Management Dashboard

California Public Employees' Retirement System Residual Risk Report as of May 1, 2012

California Public Employees' Retirement System Residual Risk Report as of May 1, 2012																			
Strategic				Operational				Financial / Reporting				Investments			Ethics / Legal / Compliance				
Previous	Current	Expected Trend		Previous	Current	Expected Trend		Previous	Current	Expected Trend		Previous	Current	Expected Trend		Previous	Current	Expected Trend	
		→				↓				↓				→				↓	
Health Care Reform				Business Planning				Cash Management				Investment Policy			Fraud				
		→				→				↓				→				→	
Health Care PPO Funding				Organization				Financial / Administrative Controls				Leverage			Compliance with Laws and Regulations				
		→				→				→				→				↓	
Health Care Costs (Top Risk)				Procurement and Contract Management				Fiscal Planning				Counterparty Exposure			Policy Compliance				
		↓				↓				→				↓				↓	
Long Term Care Program (Top Risk)				Business Continuity Management				Reporting				Investment Risk Management (Top Risk)			Ethical Conduct				
		↑				↓				↓				→				→	
Pension Funding (Top Risk)				Performance Management				Administrative Accounting				Liquidity			Legislative / Regulatory				
		→				↓				↓				↓					
Pension Reform (Top Risk)				Operational Controls				Investment Accounting				Investment Controls and Systems (Top Risk)							
		↑				↓													
Actuarial				Technology / Systems Management															
		↓				↓													
Governance / Leadership (Top Risk)				Information Security (Top Risk)															
		→				↓													
Strategy and Policy				myCalPERS (Top Risk)															
		→				→													
Stakeholder Perception (Top Risk)				Customer Service (Top Risk)															
						↓													
				Human Resources Management															

Residual Risk - Previous Current	Expected Trend
Considering controls currently in place, the remaining risk exposure is minimal .	Considering planned mitigations and environmental factors, the risk is expected to decrease over the next 3-6 months
Considering controls currently in place, the remaining risk exposure is moderate .	Considering planned mitigations and environmental factors, the risk is expected to remain constant over the next 3-6 months
Considering controls currently in place, the remaining risk exposure is elevated .	Considering planned mitigations and environmental factors, the risk is expected to increase over the next 3-6 months
Considering controls currently in place, the remaining risk exposure is high .	