

**New 2013-15 Initiatives**

**Strategic Goal A | Improve long-term pension and health benefit sustainability**

<b>Initiative Title</b>	<b>Initiative Language</b>	<b>Date</b>
<b>Health Care Member Tools</b>	Identify tools that help members make informed health care decisions	06/14
<b>Medicare Flexibility</b>	Develop recommendations for the CalPERS Board of Administration for a Medicare only health care plan	06/14
<b>Employer Health Benefits</b>	Create flexibility for growth within public agency and school employer provided health programs	06/15
<b>Review of Actuarial Assumptions &amp; Implementation of Potential New Assumptions</b>	Review actuarial assumptions to verify adequate funding of the pension system and apply actuarial assumption changes found during review of demographic assumptions to Benefit Administration procedures and systems	06/15
<b>Actuarial Valuation System Redesign and Enhance</b>	Redesign and enhance the Actuarial Valuation System to support reporting requirements introduced by GASB 68 and support the changes imposed by pension reform legislation	06/15
<b>Integrated Health Models</b>	Expand integrated health models that promote evidence-based protocols and electronic health records to improve provider cost effectiveness and quality of care	06/15
<b>Population Health Management</b>	Standardize health plans' approach to population health management across the continuum of care for active and retired members	06/15
<b>Improve Health Care for Senior Members</b>	Assess the needs of senior CalPERS members and develop specialized care management programs that improve quality and reduce costs	12/14

The new initiatives in Goal A represent the work staff is performing to ensure long-term sustainability of the System. This includes the continued evolution of investment and actuarial policies to address pension program sustainability, seeking new ways to deliver health care, and enhancing our automated systems to meet GASB and Pension Reform standards, while taking steps to forecast future demands on the pension system due to changing demographics and investment returns.

**New 2013-15 Initiatives**

**Strategic Goal B | Cultivate a high-performing, risk-intelligent and innovative organization**

<b>Initiative Title</b>	<b>Initiative Language</b>	<b>Date</b>
<b>Workforce Strategic Plan Implementation</b>	Implement the strategic workforce development plan that incorporates succession planning, automated HR system, staff training and mentoring, and talent management	06/14
<b>Strategic Risk Measures</b>	Create risk appetite statements, tolerances, and key risk indicators for strategic goals and top risks of the organization	06/15
<b>Policy Management</b>	Develop a Policy Management framework to establish an enterprise-wide policy oversight approach and compliance function	06/14
<b>Quarterly Reporting</b>	Develop and implement quarterly fund reports	12/13
<b>Service Delivery Transformation: Access</b>	Improve availability and ease of customer access to our services through the enhancement of access channels, webinars and computer-based training expansion, and self-services expansion	06/14
<b>Service Delivery Transformation: Quality</b>	Enhance the quality of service to ensure it is value-added, accurate and follows customer care principles by developing core competency training, streamlining core business processes, and developing full voice of the customer satisfaction picture	06/15
<b>Service Delivery Transformation: Effectiveness</b>	Implement business intelligence analytics, MSS enhancements, improved marketing that ensure resources are efficiently utilized to deliver timely, helpful and effective services	06/15
<b>Service Delivery Transformation: Service</b>	Improve services offered by delivering a complex case management process, phase one of the life cycle education and other products and information which are responsive to customer needs	06/14
<b>Municipal Bankruptcies</b>	Provide legal representation to the system and develop a strategy to protect the system and mitigate risks	06/15
<b>End-to-End Business Intelligence</b>	Enhance end-to-end services through the use of business intelligence by enhancing enterprise research, innovation and organizational performance	06/15

The new initiatives in Goal B focus on inspiring a workplace that is high-performing, risk-intelligent and rich in innovation while enhancing customer service delivery. A robust workforce strategy incorporates succession planning, staff training and mentoring, and talent management. Municipal Bankruptcies addresses staff efforts to protect the integrity and soundness of the system.

**New 2013-15 Initiatives**

**Strategic Goal C** | Engage in State and national policy development to enhance the long-term sustainability and effectiveness of our programs

Initiative Title	Initiative Language	Date
<b>Thought Leadership</b>	Identify, evaluate, and as appropriate, conduct research initiatives that enhance the development of our retirement and health care policy	06/15
<b>Pension Beliefs</b>	Develop and adopt pension beliefs to inform state and national policy debates, as well as funding strategy	06/14

The new initiatives in Goal C further develop efforts to engage in State and national policy development. The communication of our pension beliefs will help shape retirement policy and outreach messaging on issues important to stakeholders.

**Modified 2013-15 Initiatives**

**Strategic Goal A | Improve long-term pension and health benefit sustainability**

Initiative Title	Initiative Language	Date
<b>Funding Risk Appetite/Tolerances</b>	Improve understanding of funding risk appetite, tolerances, targets and limits	07/14
<b>Employer Wellness Partnerships</b>	Establish partnerships based on a comprehensive wellness strategy that provides tools for employers to engage their employees	06/15
<b>Investment Performance</b>	Restructure the portfolio to deliver consistent risk-adjusted investment returns	06/15
<b>Investment Risk Management</b>	Establish a comprehensive portfolio risk management system and practices to measure, manage, and communicate investment risks	06/15
<b>Cost Effectiveness</b>	Improve cost effectiveness of the investment program to increase net returns on assets	06/15
<b>Organization, Systems, and Controls</b>	Design, develop and implement a target operating model that minimizes complexity, improves transparency and strengthens processes, systems, governance and controls	06/15
<b>Emerging Investment Manager Strategy</b>	Implement a five-year plan to provide opportunities for participation of emerging investment managers across all asset classes	06/15
<b>ESG Investment Strategy</b>	Integrate environmental, social and governance risk considerations into investment decision making by supporting regulations for investor protection and effectively engaging companies, investment managers and policy makers to promote stable capital markets	06/15

The modified initiatives in Goal A represent projects that will continue into the 2013-15 planning cycle. The planning cycle refresh process is designed to reevaluate priorities and timelines and adjust to changing business needs, and new or changing priorities. This refresh process brings focus and clarity to the work we do, as we strive to achieve our long-term Strategic Goals.

**Modified 2013-15 Initiatives**

**Strategic Goal B | Cultivate a high-performing, risk-intelligent and innovative organization**

Initiative Title	Initiative Language	Date
<b>Workforce Strategic Plan Development</b>	Create an enterprise-wide, strategic workforce development plan that supports high-performance, and a healthy organization and culture	09/13
<b>Information Security Roadmap</b>	Implement Information Security Roadmap to enhance security measures designed to protect information assets	06/15
<b>Investment Reconciliation Process</b>	Develop and implement improved Investment Reconciliation processes	06/14
<b>Enterprise Content Management</b>	Implement an Enterprise Content Management system to centralize enterprise content, improve content structure and establish governance process to improve Intranet usability	06/15
<b>Strategic Measures</b>	Develop and implement strategic measures that utilize business intelligence tools to evaluate enterprise results and assess effectiveness of the CalPERS 2012-2017 Strategic Plan; and to assist with the long-term strategic decision making and planning process	06/14
<b>Enterprise Internal Innovation</b>	Develop and implement a responsive innovation program that will inspire staff to share innovative ideas and solutions that improve performance and service	06/14

The modified initiatives in Goal B represent projects that will continue into the 2013-15 planning cycle. In some cases, such as the Workforce Strategic Plan, Internal Innovation and Strategic Measures, staff developed a phased approach to better anticipate work to be completed in each fiscal year.

**Modified 2013-15 Initiatives**

**Strategic Goal C** | Engage in State and national policy development to enhance the long-term sustainability and effectiveness of our programs

Initiative Title	Initiative Language	Date
<b>Investment Beliefs</b>	Adopt investment beliefs and incorporate into investment policy and decision making	12/13
<b>Demonstrate Industry Leadership</b>	Develop a framework for coordinated engagement and leadership in industry policy	06/15
<b>Strategic Partnerships</b>	Develop relationships with academia, California business community and financial industry partners, through thought leadership initiatives to support the effectiveness of our retirement, health and investment programs	06/15

The modified initiatives in Goal C were extended to allow the project teams to further engage stakeholders to impact State and national policy development.

**2012-14 Initiatives Continuing in the 2013-15 Plan with no Changes**

**Strategic Goal A | Improve long-term pension and health benefit sustainability**

Initiative Title	Initiative Language	Date
<b>Health Care Customer Resources</b>	Provide members with useful information and tools that lead to shared decision-making for our members and employers	06/14
<b>Health Benefit Purchasing Structure</b>	Communicate and implement changes to health benefit purchasing structure	06/14
<b>Engaged Health &amp; Wellness Platform</b>	Utilize evidence based programs with outcomes and measurement to create an independent wellness platform with flexible options that engages employers, members and providers	06/14
<b>LTC Strategic Implementation</b>	Implement Board-approved strategies	06/14

**Strategic Goal B | Cultivate a high-performing, risk-intelligent and innovative organization**

Initiative Title	Initiative Language	Date
<b>Knowledge Transfer, Insourcing and Consulting Reduction</b>	Develop staff competencies and encourage insourcing by transferring workload from consultants to State staff, resulting in a reduction in consultant expenditures and a more skilled workforce	06/14
<b>Investment Expense Reporting</b>	Design and implement the Financial Office functions to account and report on Investment Expenses	06/14
<b>One Budget Model</b>	Develop one Enterprise budget to support enhanced resource management, Board oversight and operational efficiency, transparency, and accountability	06/14

**Strategic Goal C | Engage in State and national policy development to enhance the long-term sustainability and effectiveness of our programs**

All existing Goal C 2012-14 initiatives were extended to the 2013-15 Plan to continue our engagement in State and national policy development.