



MEMORANDUM

Date: March 14, 2013

To: Theodore Eliopoulos, Senior Investment Officer – CalPERS

CC: Allan Emkin – PCA, David Glickman – PCA
Randy Pottle – CalPERS, Jim Hurley – CalPERS, Bob Langhi – CalPERS

From: Pension Consulting Alliance, Inc. (PCA)

RE: Delegated Authority Revisions

In our role as the Real Estate Consultant to the Board, Pension Consulting Alliance, Inc. (PCA) has been asked to opine on the proposed revisions to the Real Assets Delegation Resolution. Staff has proposed changes which clarify the definitions of New Investments and Existing Investments, as well as the definitions of Debt Financing Amount, Disposition Amount and Investment Amount. The changes are intended to reduce some of the vagueness and ambiguity which have been highlighted by both PCA and Counsel. PCA has reviewed the proposed changes and believes that they accomplish the stated objectives of reducing ambiguities. These changes are intended to be a first step in a more comprehensive review of the language in the Delegated Resolution to take place over the next 18 months. PCA supports the proposed changes to the Real Asset Delegation Resolution as well as Staff's objective to make more comprehensive clarifications over the next 18 months.