



## Agenda Item 5a

May 13, 2013

**ITEM NAME:** Adoption of Delegation Resolution for the Opportunistic Program

**PROGRAM:** Opportunistic Program

**ITEM TYPE:** Policy & Delegation – Action

### **RECOMMENDATION**

Approve the proposed Opportunistic Program Delegation Resolution for Professional Staff Delegation No: 13-01-INV as shown in Attachment 1. The Wilshire opinion letter is provided as Attachment 3.

### **EXECUTIVE SUMMARY**

Approval of the proposed Opportunistic Program Delegation Resolution will ensure clarity and authority in regards to the Opportunistic Investments policy approved by the Investment Committee (IC) in June of 2009.

### **STRATEGIC PLAN**

This agenda item supports the CalPERS Strategic Plan to cultivate a high-performing, risk-intelligent and innovative organization. To maintain current and accurate delegated authority documentation is a key mitigation for investment and operation risk.

### **BACKGROUND**

In August 2009, the IC adopted the Opportunistic Investments Policy (Attachment 2). The establishment of the Opportunistic Program enabled Staff to invest in opportunities that may not fit neatly within existing asset classes or may be subject to narrow limits. The goal of the program is to afford Staff the ability to invest in these opportunities in a timely and flexible manner, while retaining a focus on risk management and adhering to policy guidelines.

In order to ensure clarity and authority related to the Opportunistic Program, Staff is recommending that the IC approve the proposed Opportunistic Delegation Resolution for Professional Staff that delegates the authority for the Program from the IC to the Chief Investment Officer.

There are no new costs associated with the approval proposed delegation.

**BENEFITS/RISKS**

Failure to approve the proposed Opportunistic Delegation Resolution for Professional Staff may result in unclear roles, responsibilities, and authority, resulting in decreased efficiencies in the management of the Opportunistic Program.

**ATTACHMENTS**

Attachment 1 – Opportunistic Program Delegation Resolution for Professional Staff  
Attachment 2 – Opportunistic Program Policy  
Attachment 3 – Consultant Opinion Letter

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JOSEPH A. DEAR  
Chief Investment Officer