



Agenda Item 9a

February 19, 2014

ITEM NAME: 2013-15 Business Plan Update

PROGRAM: Enterprise

ITEM TYPE: Information

EXECUTIVE SUMMARY

This agenda item provides the Board with a status report for the second quarter of the CalPERS 2013-15 Business Plan.

STRATEGIC PLAN

The CalPERS 2013-15 Business Plan (Attachment 2) outlines the 44 initiatives being undertaken to achieve the Strategic Goals and Objectives in the CalPERS 2012-17 Strategic Plan (Attachment 3).

ANALYSIS

In the second quarter, two initiatives were due and completed:

- Quarterly Reporting: The new financial management one page quarterly summary report was presented to the Finance and Administration Committee in December 2013. The intent of the Quarterly Reporting Initiative was to provide the Board a quarterly financial report summary of the PERF comparing a current year quarter end to the prior year quarter end. This new reporting structure will provide a more comprehensive overview of the financial status of CalPERS. In the past this information was presented once a year to the Board through the Comprehensive Annual Financial Report (CAFR) and now will be presented on a quarterly basis.
- Investment Beliefs: The investment beliefs were adopted by the Board in October 2013. With the adoption completed, integration and incorporation of the Investment Beliefs into the culture of the Investment Office will be an on-going effort. The investment beliefs provide a basis for strategic management, clear direction and a philosophy for investment decisions across the total fund.

A summary dashboard identifying the current status of all the initiatives and detailed information on completed, at risk, and initiatives needing management attention is attached (Attachment 1). There are no At-Risk initiatives at this time; the remaining 41 initiatives are progressing on schedule.

BENEFITS/RISKS

The CalPERS 2013-15 Business Plan is aligned to the CalPERS 2012-17 Strategic Plan. The alignment of operational activities to long-term strategic goals provides focus and clarity to prioritize and guide our work as we keep the Strategic Plan at the forefront of our planning process. The initiatives are tied to budget resources to ensure that the budget process is connected to the planning cycle.

This second quarter report ensures transparency on the Business Plan progress. Competing organization priorities and staff resources are identified as key risks which may impact the completion of some of the initiatives by their target date.

ATTACHMENTS

- Attachment 1 – CalPERS 2013-15 Business Plan – Second Quarter Status Update
- Attachment 2 – Revised CalPERS 2013-15 Business Plan
- Attachment 3 – CalPERS 2012-17 Strategic Plan Overview

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