



## Agenda Item 8b

March 17, 2014

**ITEM NAME:** Emerging Manager Five-Year Plan – Peer Benchmarking Survey

**PROGRAM:** Targeted Investment Programs

**ITEM TYPE:** Program Review – Information

### **EXECUTIVE SUMMARY**

This agenda item provides a status report on Targeted Investment Programs activities and progress on work streams in the CalPERS Five-Year Plan for Emerging Managers.

### **STRATEGIC PLAN**

This agenda item supports the CalPERS Strategic Plan goals to improve long-term pension and health benefit sustainability and engage in state and national policy development to enhance the long-term sustainability and effectiveness of our programs.

### **BACKGROUND**

CalPERS engaged Callan in September 2013 to conduct a survey of the emerging manager programs of similar U.S. public funds.

### **ANALYSIS**

#### **CalPERS Five-Year Plan for Emerging Managers (EM)**

Progress on CalPERS Five-Year Plan for Emerging Managers (“Five-Year Plan”) initiatives is provided below.

#### **EM Research**

External Outreach - Work Stream 1: Benchmark EM Programs against our peer group

##### *EM Peer Benchmark Project*

CalPERS objective is to understand investment exposures with emerging managers, and the goals, governance, and operations of each emerging manager program in order to learn how other programs are implemented. The EM Peer Benchmark Project is intended to provide CalPERS with insight into the best practices of its peers.

Callan’s Executive Summary Findings (Attachment 1) includes highlights and key findings from the survey. It compares CalPERS emerging manager exposure to its

peers across asset classes. It also identifies various funds' approaches to managing and governing emerging manager investments.

**BUDGET AND FISCAL IMPACTS**

Not Applicable

**ATTACHMENTS**

Attachment 1 – Callan's Executive Summary Findings Presentation

Attachment 2 – Callan's Full Report Presentation

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