



Meeting Summary

December 17, 2014

The Investment Committee met on December 15, 2014.

The Committee discussed and approved:

- Staff's recommendation to sponsor legislation to:
 - Clarify the procurement processes and requirements for investment-related services, consistent with the Board's fiduciary duties
 - Eliminate the existing requirement to invest 25% of the fund in California real estate mortgages and related legislative reporting, and
 - Modify the Quarterly Investment Performance reporting requirement to a semi-annual basis and eliminate the requirement to report portfolio holdings on a cost basis
- Engagement of Wilshire Associates Incorporated for the role of General Pension Board Consultant, pending successful contract negotiations

The Committee received presentations on:

- A proposed series of engagements with the Committee to explore the concept of portfolio priorities and benchmark-related topics
- The performance and rebalance of the Terminated Agency Pool Program
- A summary of the authorities granted to staff through the Delegation Resolutions for Professional Staff across the Investment Office
- The review of the Responsible Contractor Program and Neutrality Trial Responsible Contractor Program policies, including proposed changes that will be brought to the Committee in 2015 for approval
- The annual review of the Private Equity Program from staff and the Board's Private Equity Investment Consultant

The Committee heard Public Comment on the following topics:

- CalPERS' Responsible Contractor Program Policy
- A national drug-store chain

Highlights of what to expect at upcoming Investment Committee meetings include:

- In February the Committee will receive an update on the performance and risk of the Total Fund from the Chief Investment Officer and the Board's Investment Consultants

The next meeting of the Investment Committee is scheduled for February 17, 2015 in Sacramento, California.