

CaIPERS

Monthly Update – Investment Compliance

MONTH ENDING DECEMBER 31, 2014

CalPERS Monthly Update - Investment Compliance

As of December 31, 2014

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Items Completed Under Delegated Authority *(for the month ended December 31, 2014)*

Program Area	Name of Investment	Commitment (million)	Initial Funding Date of Partnership	Complies with Delegation Number
Private Equity	Siris Partners III, L.P.	\$50	Dec-14	07-02-INV II (B) 2
Private Equity	Welsh, Carson, Anderson & Stowe XII, L.P.	\$350	Dec-14	07-02-INV II (B) 2
Real Assets	Pacific Multifamily Investors, LLC	\$211	Dec-14	11-01-INV II (A) 2 & (B) 2

Disclosure of Placement Agent Fees (for the month ended December 31, 2014)

Firm Name	TPG Biotechnology GenPar II, L.P.
Asset Class	Private Equity
Fund	TPG Biotechnology Partners II, L.P.
Placement Agent / Firm	<p>Jack Weingart – Mr. Weingart is a Partner of TPG James Gates – Mr. Gates is a partner of TPG and a member of the firm's Management Committee. Peter McMillan – Mr. McMillan is a partner of TPG. Charles Froeb – Mr. Froeb is a partner of TPG. Robert Weaver - Mr. Weaver is a Partner and is based in New York City. Brian D'Arcy – Mr. D'Arcy joined TPG in 2011 from Goldman, Sachs & Co. Magnus Christensson – Mr. Christensson joined TPG in 2011, from Jefferies where he was a Managing Director and the European Head of Jefferies International Ltd. Lizzy Danhaki - Lizzy Danhaki joined TPG as an Associate in August 2013. Erin Dobbs - Ms. Dobbs is an Associate based in New York. Josh Evans – Mr. Evans joined TPG in 2010 from Evercore Partners. Joseph Fuda – Mr. Fuda joined TPG in 2012 and is based out of the firm's New York office where he is responsible for investor coverage in the US Northeast, Midwest, Southeast and Canada. Griffin Howard - Griffin Howard joined TPG in 2011 and is based out of the firm's San Francisco office. Charlie Madden – Mr. Madden joined TPG as an Analyst in July 2014. Ahsha Merson – Ahsha Merson joined TPG Funding in 2013 and is based out of the firm's San Francisco office. Jen Morais – Prior to joining TPG in 2013, Ms. Morais was Senior Principal in the Funds & Secondaries group at Canada Pension Plan Investment Board (CPPIB) where she worked from 2005 to 2013. Justin Nunez – Mr. Nunez is a Vice President of TPG and joined the firm in June 2014. Erin O'Donovan – Prior to joining TPG in 2005, Ms. O'Donovan was Vice President in the Private Equity Group of Goldman, Sachs & Co. Catherine Quinn – Ms. Quinn joined TPG Funding in July 2014 and is based at out of the Firm's San Francisco office. Meghan Reynolds – Prior to joining TPG in 2010, Ms. Reynolds was Vice President and Co-Chief Operating Officer of Product Management for the Alternative Investments & Manager Selection Group of Goldman, Sachs & Co. Natalee Shean – Natalee joined TPG in April of 2014 from First Republic Bank, where she worked as an Assistant in the Administrative Services Department. Jennifer Shah – Jennifer joined TPG in 2013 from the Private Equity Group at Goldman Sachs, Hong Kong, where she was an Executive Director in the Investment Management Division. Elena Stark - Prior to joining TPG in 2013, Elena Stark was an analyst at Bank of America Merrill Lynch in New York, where she worked as a generalist in the Mergers & Acquisitions group. Jennifer Zhao – Ms. Zhao joined TPG as an Associate in July 2014.</p>
Registered with U.S. or non-U.S. financial regulatory authority	TPG Capital BD, LLC, an affiliate of the Placement Agents, is registered with the SEC and a member of FINRA (CRD No. 0143876).
Registered Lobbyist(s)	<p>Mr. Weingart is a registered lobbyist in the State of California. Mr. Gates is a registered lobbyist in the State of California. Mr. McMillan is a registered lobbyist in the State of California. Mr. Froeb is a registered lobbyist in the State of California, New York City, Los Angeles, San Diego and San Jose. Mr. D'Arcy is a registered lobbyist in the State of California. Ms. Danhaki is a registered lobbyist in the State of California. Mr. Evans is a registered lobbyist in the State of California and San Jose. Mr. Howard is a registered lobbyist in the State of California. Mr. Madden is a registered lobbyist in the State of California. Ms. Merson is a registered lobbyist in the State of California. Ms. O'Donovan is a registered lobbyist in the State of California. Ms. Quinn is a registered lobbyist in the State of California. Ms. Reynolds is a registered lobbyist in the State of California and Los Angeles. Ms. Shean is a registered lobbyist in the State of California. Ms. Shah is a registered lobbyist in the State of California. Ms. Stark is a registered lobbyist in the State of California. Ms. Zhao is a registered lobbyist in the State of California.</p>
Estimated Placement Agent Compensation	TPG Biotechnology GenPar II, L.P. and its affiliates have not engaged, compensated or agreed to compensate, directly or indirectly, any third-party placement agent in connection with the offer of assets, securities, or services to California Public Employees' Retirement System ("CalPERS") or any CalPERS vehicle. The Placement Agents listed in Attachment A above are employees of TPG Global, LLC or an affiliate of TPG Global, LLC and are paid an annual base salary plus a discretionary bonus for their activities as representatives of TPG Capital BD, LLC, which is not contingent upon offer of assets, securities or services to CalPERS on behalf of TPG Biotechnology Partners II, L.P. Although the Placement Agents receive their compensation from TPG Global, LLC or an affiliate of TPG Global, LLC, the Placement Agents are registered representatives of TPG Capital BD, LLC, an affiliate of TPG Global, LLC and a member of FINRA. The approximate compensation of the employees of TPG Global, LLC or an affiliate of TPG Global, LLC who offered interests in TPG Biotechnology Partners II, L.P. is roughly estimated at \$17,400; although, such compensation was not based directly or indirectly on the amount of CalPERS commitment.
Disclosed Campaign Gifts and Contributions	None
Notes	None
Transaction Type	Amendment

*This information is provided directly from the Placement Agent Disclosure Form as submitted to CalPERS.

Investment Proposal Activity Summary (for the month ended December 31, 2014)

	Private Equity	Forestland	Infrastructure	Real Estate	Global Equities	Commodities	Global Fixed Income	Total
Start of Month Proposals	36	0	20	21	4	1	1	83
New Proposal During the Month	11	0	1	3	0	0	1	16
Reinstated Proposal During Month	0	0	0	0	0	0	0	0
Decisions During the Month	11	0	13	0	4	0	1	29
End of Month Proposals	36	0	8	24	0	1	1	70

Status Details

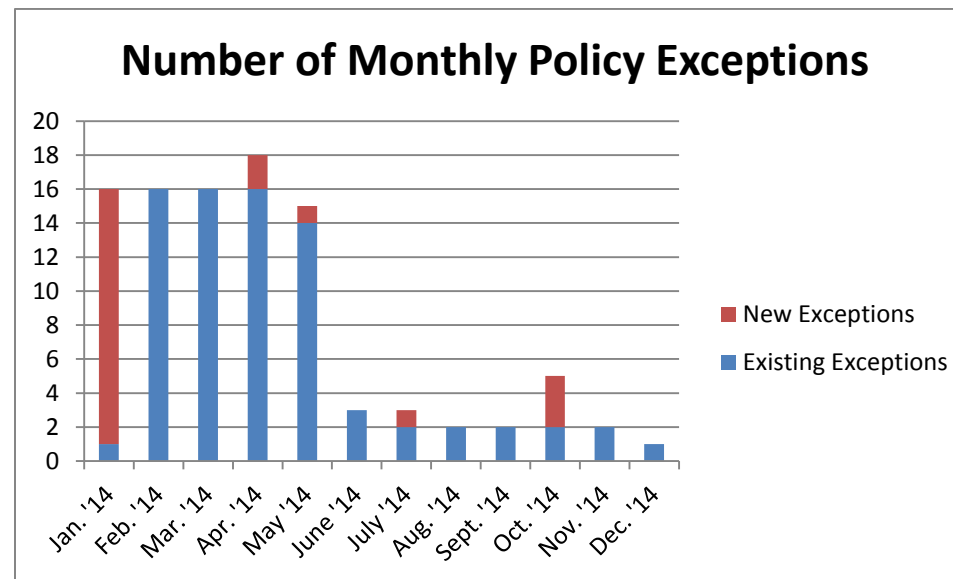
Status	Private Asset Classes				Public Asset Classes			Total
	Private Equity	Forestland	Infrastructure	Real Estate	Global Equities	Commodities	Global Fixed Income	
Start of Month Proposals								
Submitted	0	0	0	12	0	0	0	12
Screening	30	0	18	8	4	1	1	62
Due Diligence	3	0	2	1	0	0	0	6
Approved	3	0	0	0	0	0	0	3
Subtotal	36	0	20	21	4	1	1	83
New Proposals During the Month								
Subtotal	11	0	1	3	0	0	1	16
Reinstated Proposals During Month								
Subtotal	0	0	0	0	0	0	0	0
Decisions During the Month								
Committed	2	0	0	0	0	0	0	2
Declined	5	0	13	0	4	0	1	23
Failed to Materialize	1	0	0	0	0	0	0	1
Referred	3	0	0	0	0	0	0	3
Subtotal	11	0	13	0	4	0	1	29
End of Month Proposals								
Submitted	0	0	0	1	0	0	0	1
Screening	28	0	6	22	0	1	1	58
Due Diligence	5	0	2	1	0	0	0	8
Approved	3	0	0	0	0	0	0	3
Subtotal	36	0	8	24	0	1	1	70

Policy Exceptions *(for the month ended December 31, 2014)*

Material Exceptions to Policy

According to policy requirements, the following is a summary of investment policy exceptions as reported by the Investment Office program areas. The following program areas had no exceptions to report for the month:

- Private Equity
- Real Assets
- Absolute Return Strategies
- Global Governance
- Investment Servicing Division
- Global Equity
- Risk Management and Asset Allocation



Policy Exceptions (for the month ended December 31, 2014)**New:**

Program Area or Asset Class	Event Date	Resolution Date	Policy	Exception Description	Event Description and Resolution (expected) or Next Steps
No issues to report					

Existing:

Program Area or Asset Class	Event Date	Resolution Date	Policy	Exception Description	Event Description and Resolution (expected) or Next Steps
Fixed Income (Sec Lending)	12/21/2007	Not Yet Resolved	Statement of Investment Policy for Securities Lending	"Ironside Holdings" was downgraded and no longer meets rating standards specified by the Policy.	<p>Ironside Holdings is a pass through note collateralized with a pro rata slice of the underlying securities from the old Victoria Finance SIV. Ironside Holdings is unrated and is in pay down mode with a final expected cash flow occurring in 2036. Given the large number of underlying securities along with small positions in each security, and the illiquid nature of many of the underlying securities, the Ironside Holdings position has an indicative market price of \$58 while the projected principal recovery value of the underlying securities is around \$75.</p> <p>Per the Policy, the Global Fixed Income Senior Investment Officer (SIO) has the authority to maintain this position in the best interest of the PERF. The Global Fixed Income SIO believes the current pricing of the Ironside Holdings pass through note is undervalued and recommends holding the security.</p>

Disclosure of Closed Session Action Items *(for the month ended December 31, 2014)*

	Investment Committee Meeting	Agenda Item	Investment Committee Action	Vote
	No items to report			

Spring-Fed Pool Contract Status (for the month ended December 31, 2014)

The report details Letter of Engagement (LOE) commitments, by the Investment Office, for spring-fed pool contractors. Actual expenditures against these commitments may be less, but never greater than this amount, unless agreed upon by CalPERS through an amended letter of engagement.

Quarter	Program	Pool Name	Consultant	Start Date	End Date	LOE Title/Description	LOE Amount	LOE Balance, as of 12/31/2014	Selection Reason
Q1	Targeted Investment Program	Diversity Spring Fed Pool	RG & Associates (Contract #2010-6009)	08/01/14	06/30/15	Consulting on Diversity and Inclusion	\$ 30,000.00	\$ 28,586.87	Existing knowledge of the investment or organization
Subtotal							\$ 30,000.00	\$ 28,586.87	
Total Diversity Spring-Fed Pool Committed Amount							\$ 30,000.00	\$ 28,586.87	
Q1	Global Fixed Income	Enterprise Strategy and Performance Division Spring-Fed Pool	The Highlands Consulting Group LLC (Contract #2013-6812) Subcontracted to Eric Brynjofsson	07/20/14	08/16/14	Information Technology and Business Performance Workshop	\$ 2,500.00	\$ 1,101.00	Existing knowledge of the investment or organization
Q1	Investment Servicing Division	Enterprise Strategy and Performance Division Spring-Fed Pool	ProPoint Technology, Inc. (Contract #2013-6809)	08/01/14	05/31/15	Affiliate Investment Program (AIP) and Technology Initiative	\$ 87,750.00	\$ 51,300.00	Existing knowledge of the investment or organization
Subtotal							\$ 90,250.00	\$ 52,401.00	
Total Enterprise Strategy and Performance Division Spring-Fed Pool							\$ 90,250.00	\$ 52,401.00	
Q1	INVO Wide	General Pension Spring-Fed Pool	Pension Consulting Alliance (Contract #2009-5105)	07/01/14	06/30/15	Specialty Primary Pension Board Investment Consultant Services	\$ 112,500.00	\$ 37,500.00	Existing knowledge of the investment or organization
	Global Governance		Wilcox, Nelson & Miller (Contract #2010-5956)	07/01/14	06/30/15	Research Analysis and Board Recruitment Advisory Services	\$ 190,000.00	\$ 181,002.42	Existing knowledge of the investment or organization
Q2	Investment Servicing Division		Cutter Associates, Inc. (Contract #2009-5104)	10/31/14	04/30/15	Target Operating Model Refresh	\$ 312,960.00	\$ 312,960.00	Existing knowledge of the investment or organization
	Investment Servicing Division		Beacon Consulting Group, Inc. (Contract #2010-5635)	10/23/14	06/30/15	PEARS - Change Manager	\$ 151,000.00	\$ 151,000.00	Bid Request
	Targeted Investment Program		Pacific Community Ventures (Contract #2009-5116)	10/10/14	06/30/15	CalPERS for California Report	\$ 383,400.00	\$ 288,067.00	Existing knowledge of the investment or organization
Subtotal							\$ 1,149,860.00	\$ 970,529.42	
Total General Pension Spring-Fed Pool							\$ 1,149,860.00	\$ 970,529.42	
Q1	Private Equity	Private Equity Spring-Fed Pool	Altius Associates Limited (Contract 2011-6235)	07/22/14	12/31/14	BridgePoint Europe V	\$ 30,000.00	\$ -	Bid Request
Q2				11/25/14	03/31/15	Special Project with Due Diligence on A Customized Investment Account with PAG Multi-Opportunity Fund LP	\$ 80,000.00	\$ 80,000.00	Bid Request
Subtotal							\$ 110,000.00	\$ 80,000.00	
Q1	Private Equity	Private Equity Spring-Fed Pool	Cambridge Associates LLC (Contract #2011-6237)	07/23/14	12/31/14	Due Diligence Assistance Blackstone Tactical Opportunities Fund LP	\$ 40,000.00	\$ 40,000.00	Bid Request
Q2				12/01/14	03/31/15	Private Equity (PE) Due Diligence Assistance Customized Investment Accounts invested in Long-Lived Private Equity Assets (Separate Accounts)	\$ 270,000.00	\$ 270,000.00	Bid Request
				11/12/14	03/31/15	Private Equity (PE) Due Diligence Assistance on Customized Investment Account invested in the Global Credit market (Separate Account) with GSO	\$ 45,000.00	\$ 45,000.00	Bid Request
Subtotal							\$ 355,000.00	\$ 355,000.00	

Spring-Fed Pool Contract Status (for the month ended December 31, 2014)

Quarter	Program	Pool Name	Consultant	Start Date	End Date	LOE Title/Description	LOE Amount	LOE Balance, as of 12/31/2014	Selection Reason
Q1	Private Equity	Private Equity Spring-Fed Pool	KPMG LLC (Contract #2012-6708)	07/25/14	10/01/14	Special Project - Valuation of a Co-Investment in a Specialty Finance Company	\$ 50,000.00	\$ -	Bid Request
Q2	Real Estate			10/22/14	06/30/15	Tax Consulting Services with Respect to Cash Collateral Facility for PRC Real Estate Investment	\$ 30,000.00	\$ 30,000.00	Existing knowledge of organization
Subtotal							\$ 80,000.00	\$ 30,000.00	
Q1	Private Equity	Private Equity Spring-Fed Pool	Cogent Partners (Contract #2011-6239)	07/29/14	12/31/14	Review and Sale of Private Equity Limited Partnership Interest	\$ 25,000.00	\$ -	Bid Request
Subtotal							\$ 25,000.00	\$ -	
Q1	Private Equity	Private Equity Spring-Fed Pool	Hamilton Lane (Contract #2011-6082)	09/04/14	12/31/14	Walsh, Carson, Anderson & Stowe XII (SCAS XII) and a Separately Managed Accounted focused on Health Care	\$ 75,000.00	\$ 75,000.00	Bid Request
Subtotal							\$ 75,000.00	\$ 75,000.00	
Total Private Equity Spring-Fed Pool							\$ 645,000.00	\$ 540,000.00	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Bard Consulting (Contract #2010-5565)	07/01/14	06/30/15	Incentive Fee Analysis & Modeling Fiscal Year 2014-15	\$ 150,000.00	\$ 56,800.00	Existing knowledge of the investment or organization
				07/01/14	06/30/15	Land Portfolio: Due Diligence/Asset Transfer and Disposition	\$ 250,000.00	\$ 212,593.75	Existing knowledge of organization
				07/01/14	06/30/15	CalPERS Domestic Strategic Portfolio Performance Attribution	\$ 95,000.00	\$ 87,668.75	Existing knowledge of organization
				08/01/14	06/30/15	Due Diligence and Annual Investment Plans	\$ 70,000.00	\$ 70,000.00	Existing knowledge of organization
				Q2	09/12/14	06/30/15	Due Diligence/ Annual Investment Plans/ Portfolio Monitoring/ Modeling and Incentive Fee Analysis/ and Incentive Fee Payable Review	\$ 260,000.00	\$ 260,000.00
10/24/14	06/30/15	Land and Housing Program - Due Diligence / Annual Investment Plans and Portfolio Monitoring	\$ 350,000.00		\$ 350,000.00	Existing knowledge of the investment or organization			
Subtotal							\$ 1,175,000.00	\$ 1,037,062.50	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Callan Associates, Inc. (Contract #2010-5562)	07/01/14	06/30/15	Portfolio Monitoring Fiscal Year 2014-15	\$ 948,000.00	\$ 725,525.00	Existing knowledge of the investment or organization
Subtotal							\$ 948,000.00	\$ 725,525.00	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Courtland Partners, Ltd. (Contract #2010-5558)	7/21/2014	7/31/2015	CenterPoint Bulk Commodity Terminal	\$ 32,500.00	\$ -	Existing knowledge of the investment or organization
				08/01/14	06/30/15	Annual Investment Plan FY 2014-15	\$ 160,000.00	\$ 160,000.00	Existing knowledge of the investment or organization
	Private Equity			07/18/14	08/31/14	Due Diligence CenterPoint Bulk Commodity Terminal	\$ 32,500.00	\$ 32,500.00	Bid Request
Subtotal							\$ 225,000.00	\$ 192,500.00	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Crosswater Realty Advisors, LLC (Contract #2010-5557)	03/18/14	06/30/15	Real Assets Program Monitoring FY 2013/14 & FY 2014/15	\$ 360,000.00	\$ 203,750.00	Existing knowledge of the investment or organization
Q2				12/02/14	06/30/15	Real Assets Program - Ownership Position Review	\$ 220,000.00	\$ 220,000.00	Existing knowledge of the investment or organization
Subtotal							\$ 360,000.00	\$ 203,750.00	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Green Street Advisors (Contract #2010-5555)	08/15/14	09/30/14	Real Estate Program Forum FY 2014-15	\$ 20,000.00	\$ 20,000.00	Existing knowledge of the investment or organization
Subtotal							\$ 20,000.00	\$ 20,000.00	

Spring-Fed Pool Contract Status (for the month ended December 31, 2014)

Quarter	Program	Pool Name	Consultant	Start Date	End Date	LOE Title/Description	LOE Amount	LOE Balance, as of 12/31/2014	Selection Reason
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Le Plastrier (Contract #2010-5550)	07/01/14	06/30/15	IHP and Resmark: Annual Investment Plans and Portfolio Monitoring	\$ 408,000.00	\$ -	Existing knowledge of organization
					09/30/14		\$ (52,113.75)	\$ 355,886.25	Existing knowledge of the investment or organization
					06/30/15	Hearthstone, Newland: Due Diligence, Annual Investment Plans and Portfolio Monitoring	\$ 213,940.00	\$ -	Existing knowledge of organization
					09/30/14		\$ (172,307.50)	\$ 2.00	Existing knowledge of the investment or organization
					06/30/15	IHP Whitney Ranch: Annual Investment Plans and Portfolio Monitoring	\$ 200,000.00	\$ -	Existing knowledge of the investment or organization
					09/30/14		\$ (111,751.25)	\$ 88,248.75	Existing knowledge of organization
					06/30/15	Newland NNP III: Due Diligence, Annual Investment Plans and Portfolio Monitoring	\$ 489,060.00	\$ -	Existing knowledge of the investment or organization
					09/30/14		\$ (383,893.75)	\$ 39,466.25	Existing knowledge of organization
					09/30/14	Shea Homes, Cap I and Mountain House: Due Diligence, Annual Investment Plans and Portfolio Monitoring	\$ 980,000.00	\$ -	Existing knowledge of the investment or organization
					06/30/15		\$ (977,081.25)	\$ 2,918.75	Existing knowledge of organization
					12/31/14	Urban Legacy Portfolio Monitoring and Annual Investment Plan	\$ 150,000.00	\$ -	Existing knowledge of the investment or organization
09/30/14	Urban Legacy Portfolio Monitoring and Annual Investment Plan	\$ (126,657.50)	\$ 23,342.50	Existing knowledge of organization					
Subtotal							\$ 617,195.00	\$ 509,864.50	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	LP Capital Advisors (Contract #2010-5548)	07/01/14	06/30/15	Bentall Kennedy Direct Investment Monitoring FY 2014-15	\$ 128,750.00	\$ 95,155.00	Existing knowledge of organization
Subtotal							\$ 128,750.00	\$ 95,155.00	
Q2	Targeted Investment Program	Real Estate Consulting Services Spring-Fed Pool	Pension Consulting Alliance (Contract #2010-5571)	12/01/14	06/30/15	Responsible Contractor Program Policy	\$ 150,000.00	\$ 150,000.00	Existing knowledge of organization
Subtotal							\$ 150,000.00	\$ 150,000.00	
Q1	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Townsend Holding LLC (Contract #2010-5567)	07/01/14	06/30/15	Townsend House View Reporting Services	\$ 50,000.00	\$ -	Existing knowledge of organization
Subtotal							\$ 50,000.00	\$ -	
Q2	IFG - Infrastructure and Forestland	Real Estate Consulting Services Spring-Fed Pool	Mercer Investment Consulting, Inc. (Contract # 2010-5576)	11/10/2014	1/31/2015	Project Avery	\$ 75,000.00	\$ 75,000.00	Existing knowledge of the investment or organization
				11/10/2014	12/31/2014	Project APAC - Background Check	\$ 16,600.00	\$ 16,600.00	Existing knowledge of the investment or organization
Subtotal							\$ 91,600.00	\$ 91,600.00	

Spring-Fed Pool Contract Status (for the month ended December 31, 2014)

Quarter	Program	Pool Name	Consultant	Start Date	End Date	LOE Title/Description	LOE Amount	LOE Balance, as of 12/31/2014	Selection Reason
Q2	Real Estate	Real Estate Consulting Services Spring-Fed Pool	Nichols Consulting (Contract #2010-5573)	11/1/2014	9/30/2015	Planning, Monitoring and Automation Projects for Real Estate (RE)	\$ 374,400.00	\$ 374,400.00	Existing knowledge of the investment or organization
Subtotal							\$ 374,400.00	\$ 374,400.00	
Total Real Estate Consulting Services Spring-Fed Pool							\$ 4,139,945.00	\$ 3,399,857.00	
Q1	Investment Servicing Division	IT Spring-Fed Pool	Stanfield Systems, Inc.	7/14/2014	6/30/2015	AIP--Process and Technology Development	\$ 736,848.00	N/A	Existing knowledge of organization
			SAS International	7/23/2014	7/20/2015	Application Development/INVO Systems	\$ 147,060.00	N/A	Existing knowledge of organization
			Stanfield Systems, Inc.	7/9/2014	5/31/2015	IPTS Accessibility Certification Section 508	\$ 16,320.00	N/A	Bid Request
			ProPoint Technology, Inc.	6/9/2014	11/15/2014	PM2 Business Analyst	\$ 18,000.00	N/A	Amending PO 91726 to add time and funds
Subtotal							\$ 918,228.00	\$ -	
Total ITSB SFP Committed Amount							\$ 918,228.00	\$ -	
Grand Total Investment Office Committed Amount							\$ 6,973,283.00	\$ 4,991,374.29	

Investment Policy Administrative Changes *(for the month ended December 31, 2014)*

Review Date	Policy	Policy Category	Comments
No items to report			

