



Agenda Item 9a

November 16, 2015

ITEM NAME: Private Equity Annual Program Review

PROGRAM: Private Equity

ITEM TYPE: Program Review – Information

EXECUTIVE SUMMARY

This is the annual review for the Private Equity Program for the period ending June 30, 2015. The review includes an overview of the program and details on investment performance, portfolio risk and business structure. Also included is a visual guide displaying how Private Equity is integrating the CalPERS Investment Beliefs into its decision-making processes. Private Equity will also be presenting a separate information item relating to revisions of the Private Equity Policy as part of the Total Fund Policy Project.

STRATEGIC PLAN

This agenda item supports the CalPERS Strategic Plan goal to cultivate a high-performing, risk-intelligent and innovative organization. The Program Review provides detailed information for portfolio characteristics and program highlights to support the CalPERS Investment Committee in its oversight capacity.

INVESTMENT BELIEFS

This agenda item supports the CalPERS Investment Belief 2: A long time investment horizon is a responsibility and an advantage; Belief 8: Costs matter and need to be effectively managed; and Belief 10: Strong processes and teamwork and deep resources are needed to achieve CalPERS goals and objectives.

BACKGROUND

An annual program review for each asset class or program area is presented to the Investment Committee. The last program review for Private Equity was December 2014.

ANALYSIS

Highlights of the annual program review (Attachment 1) include:

- Program Role
- Program Performance and Risk
- Business Review

BUDGET AND FISCAL IMPACTS

Not Applicable

BENEFITS/RISKS

Not Applicable

ATTACHMENTS

Attachment 1 – Private Equity Annual Program Review

Attachment 2 – Private Equity Annual Program Review – Supplemental Report

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