

# **CalPERS 2016-17 Business Plan**

## **Outline of Proposed New Business Plan Initiatives**

**February 17, 2016**

## CalPERS 2016-17 Business Plan – Outline of Proposed New Business Plan Initiatives

### Strategic Goal A | Improve long-term pension and health benefit sustainability

Objective – Fund the System through an integrated view of pension assets and liabilities

Initiative Title	Proposed Initiative Description	Completion Date
<b>Risk Factor Development for Asset Liability Management</b>	Develop a model (process) that identifies and analyzes risk factors driving assets and liabilities and explore the potential for risk factor-based allocation	June 2017
<b>Redesign and Enhance the Actuarial Valuation System</b>	Redesign and enhance the Actuarial Valuation System to increase capabilities, streamline processes, and create a more robust valuation system	June 2017

Objective – Educate employers and other stakeholders to make informed decisions about retirement security and health care

Initiative Title	Proposed Initiative Description	Completion Date
<b>CalPERS Pension Prefunding Trust</b>	Develop and administer a funding mechanism for employers to invest in a pension prefunding trust	June 2017
<b>Provide Health Costs Education and Outreach</b>	Provide employers with aggregate views of health data to identify major health care costs and assess impacts	December 2016

Objective – Deliver target risk-adjusted investment returns

Initiative Title	Proposed Initiative Description	Completion Date
<b>Investment Program Long-Term Planning</b>	Explore long term planning considerations including private assets business model, talent management, and office locations	June 2017
<b>External Manager Monitoring, Expectations, and Reduction Strategy</b>	Develop enhanced governance and protocols to improve efficiencies and controls in assessing and engaging external managers and migrating additional asset types in house	June 2017

## CalPERS 2016-17 Business Plan – Outline of Proposed New Business Plan Initiatives

### Strategic Goal B | Cultivate a high-performing, risk-intelligent, and innovative organization

Objective – Deliver superior end-to-end customer service that is adaptive to customer needs

Initiative Title	Proposed Initiative Description	Completion Date
<b>Improve Customer Engagement and Communications</b>	Review core business processes and publications to enhance customer engagement and the overall end-to-end experience	June 2017
<b>Capture Customer Feedback</b>	Utilize customer surveys to collect customer satisfaction data, and analyze the survey data to track and improve customer service	June 2017
<b>Implement Financial Literacy Education for Members</b>	Implement a plan to enhance members' understanding of key concepts related to financial literacy through increased education and training	June 2017

Objective – Recruit, retain, develop, and empower a broad range of talents against organization priorities

Initiative Title	Proposed Initiative Description	Completion Date
<b>Emerging Leader</b>	Develop and implement a journey-level training program to prepare non-supervisory employees for future leadership roles	December 2016
<b>Organizational Health Index</b>	Assess the Organizational Health Index survey results and identify and address high priority improvements to CalPERS culture	June 2017
<b>Expand Internal Diversity Program</b>	Develop and implement a plan to expand the Diversity and Inclusion Program to increase outreach and engagement	June 2017

## CalPERS 2016-17 Business Plan – Outline of Proposed New Business Plan Initiatives

### Strategic Goal B | Cultivate a high-performing, risk-intelligent, and innovative organization (Cont.)

Objective – Actively manage business risks with an enterprise-wide view

Initiative Title	Proposed Initiative Description	Completion Date
<b>Master Enterprise Business Continuity Plan</b>	Update master Business Continuity Program that accounts for enterprise priorities and can be executed post a major disruption	December 2016
<b>Enhance Enterprise Compliance Capabilities and Internal Controls</b>	Implement enhancements to enterprise compliance capabilities and internal controls throughout the organization as described in the five-year compliance plan	June 2017

### Strategic Goal C | Engage in State and national policy development to enhance the long-term sustainability and effectiveness of our programs

Objective – Provide education and engagement opportunities to shape policy agenda and expand impact

Initiative Title	Proposed Initiative Description	Completion Date
<b>Employer Excise Tax</b>	Assess appropriately the impacts of excise tax and execute an outreach plan that provides stakeholders information on the excise tax policy and other Affordable Care Act components	June 2017