

April 19, 2016

Item Name: Semi-Annual Compliance Plan Update**Program:** Enterprise Compliance**Item Type:** Information Consent**Executive Summary**

This agenda item provides an update on the Enterprise Compliance Plan, including key accomplishments and upcoming initiatives.

Strategic Plan

This item supports CalPERS Strategic Plan Goal B: *Cultivate a high-performing, risk-intelligent, and innovative organization* and the 2015-17 Business Plan initiative:

Enhance Internal Controls – Develop and implement enhanced internal controls that improve compliance and reduce operational risks. By providing effective compliance monitoring and oversight, Enterprise Compliance assists in mitigating compliance risks throughout the organization.

Background

In June 2015, the Risk and Audit Committee approved the FY 2015 – 17 Enterprise Compliance Plan in order to strengthen CalPERS Compliance effectiveness. Staff developed a plan that builds upon existing compliance capabilities and incorporates many new initiatives to strengthen regulatory and ethics compliance practices.

This Semi-Annual Compliance Plan update is the first report out and it provides the Committee with a status of progress against the Compliance Plan since its launch in July 2015. Highlights of the plan include the following:

- Reorganized the Enterprise Compliance program and hired new staff and managers
- Developed a detailed project plan, including a communication and education plan
- Established Policy and Delegation Management Frameworks and Standards; Began implementation in the Actuarial Office
- Launched embedded compliance functions in Customer Support Services and Operations and Technology divisions, partnering with management to identify and train compliance liaisons

An overview of the key accomplishments and status of the Compliance Plan are included in Attachment 1.

Budget and Fiscal Impacts

Not Applicable.

Attachments

Attachment 1 – 2015-17 Enterprise Compliance Plan

KAMI NIEBANK

Interim Chief Compliance Officer
Enterprise Compliance

MARLENE TIMBERLAKE D'ADAMO

Chief Compliance Officer
Enterprise Compliance

CHERYL EASON

Chief Financial Officer