
May 18, 2016

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Investment Committee met on May 16, 2016.

The Committee approved the following:

- **AGENDA ITEM 9a**
The engagement of Pension Consulting Alliance for the role of Real Estate Board consultant, pending a 15% reduction in proposed fees and successful contract negotiations
- **AGENDA ITEM 5a**
To express support with amendments for Assembly Bill 2833 (Cooley): Public Retirement Alternative Investments Disclosure
- **AGENDA ITEM 5b**
To express support and to request an expanded definition of diversity for U.S. House Resolution 4718 (Maloney-NY): Gender Diversity Advisory Group

The Committee also received reports on the following topics:

- A second review of the plan to revisit the tobacco investment
- A review of the current state of the Investment Office Roadmap and Target Operating Model
- The Global Governance Program's "Governance" portion of the ESG priorities, with an emphasis on alignment of interests and an update on proxy voting activities, and
- An overview of the Investment Office's continued progress in cost savings initiatives, presented by staff and CEM Benchmarking, Inc.
- The Chair directed staff to:
 1. Return with an updated analysis of the tobacco investment in six to nine months, and
 2. Include information on the tobacco holdings by our external managers and other asset classes within the updated study

The Committee heard public comment on:

- The Investment Office's cost-savings initiatives,
- The amendments to Assembly Bill 2833,
- The plan to re-examine the tobacco investment, and
- A labor dispute

At this time I would like to share some highlights of what to expect at the June Investment Committee meeting:

- A review of the interim asset allocation targets, and
- The 2015 CalPERS for California Report.

The next meeting of the Investment Committee is scheduled for June 13, 2016, in Sacramento, California.