

Board Consultant Review & Evaluation Project Results – FY 2016-17

Wilshire Associates, Inc.
General Pension Investment

Pension Consulting Alliance, Inc.
Real Estate Investment

StepStone Group, LP
Infrastructure Investment

Pension Consulting Alliance, Inc.
General Investment & Responsible Contractor Program

Project Scope

- Review & evaluate investment consultants that report directly to the Board
 - **Wilshire Associates, Inc.**
(General Pension)
 - **Pension Consulting Alliance, Inc.**
(Real Estate)
 - **StepStone Group, LP**
(Infrastructure)
 - **Pension Consulting Alliance, Inc.**
(General Investment & Responsible Contractor Program)

Purpose

- Objectively measure consultant performance in three key areas:
 - Strategic Analysis and Recommendations
 - Communication and Responsiveness
 - Overall Performance

Methodology

- Established 5-6 different performance measures for each key area
- Utilized rating scale (1-5) for each measure

5=Very Satisfied

4=Satisfied

3=Neutral

2=Dissatisfied

1=Very Dissatisfied

Reviewers/Evaluators

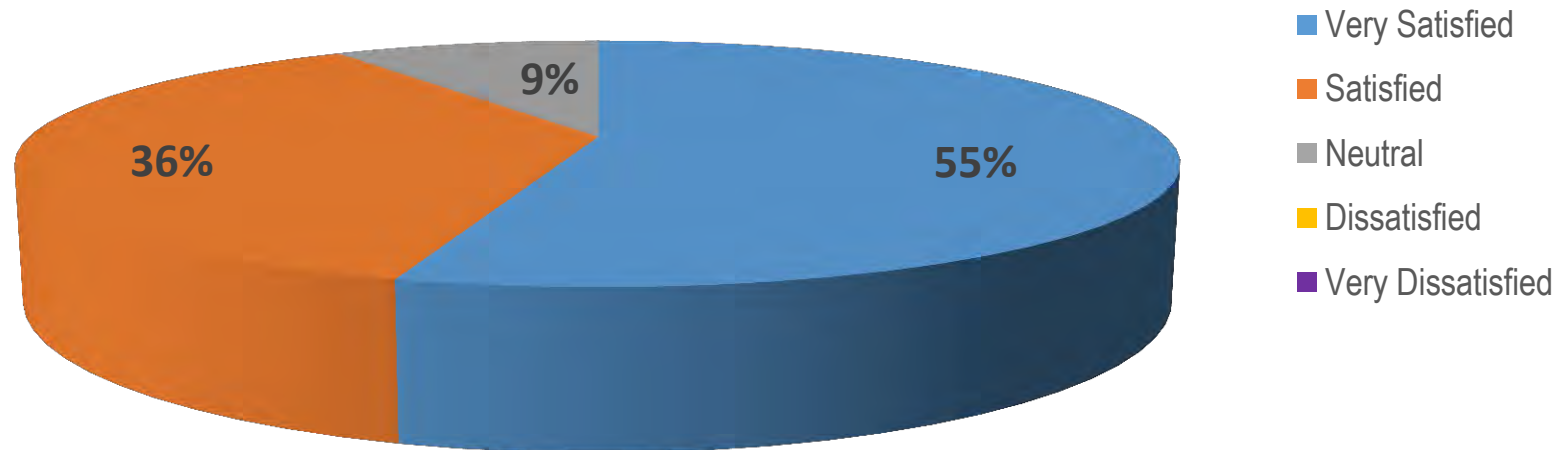
- Board members evaluated consultants

Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Key Area 1: Strategic Analysis & Recommendations

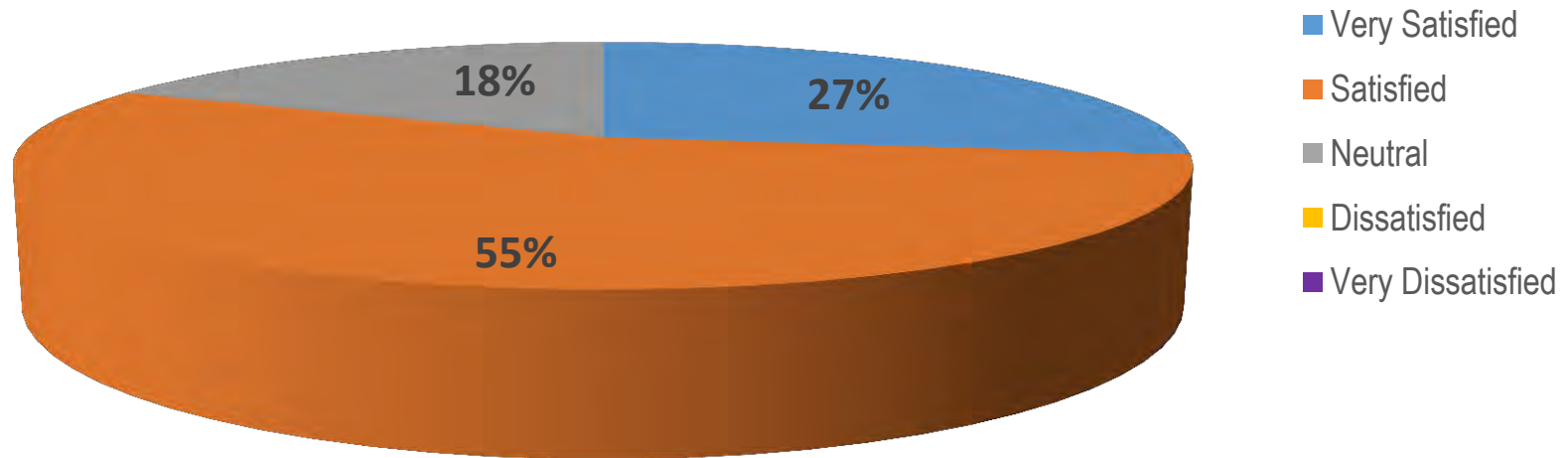
Strategic Analysis & Recommendations

Q1: Accurately analyzes issues and provides timely and objective information



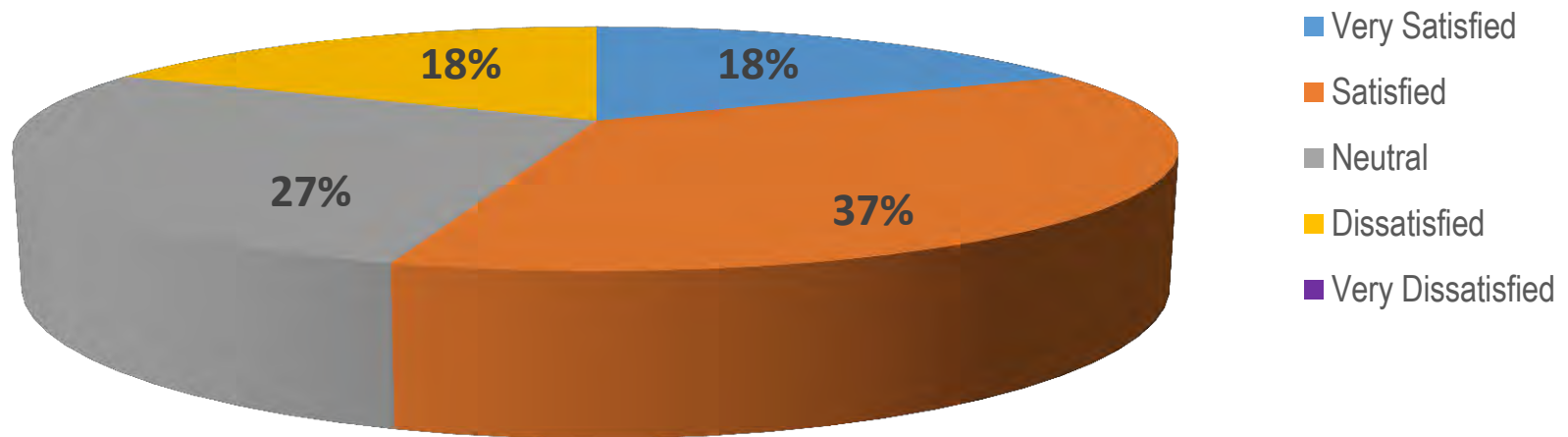
Strategic Analysis & Recommendations

Q2: Makes clear and relevant recommendations re: policies and guidelines



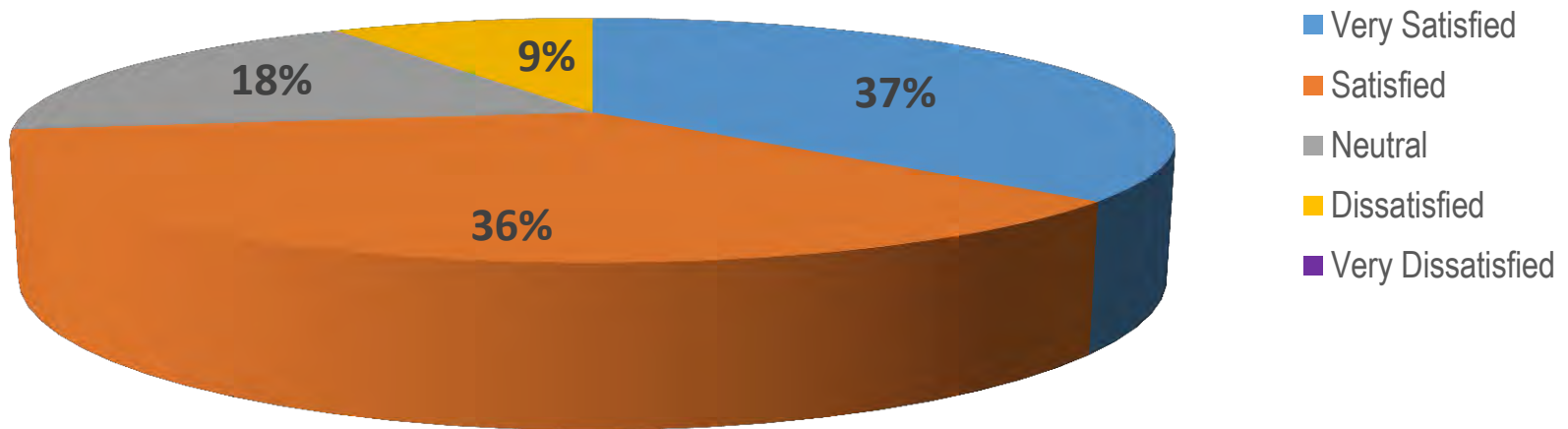
Strategic Analysis & Recommendations

Q3: Recommends ways to control or reduce fees and costs



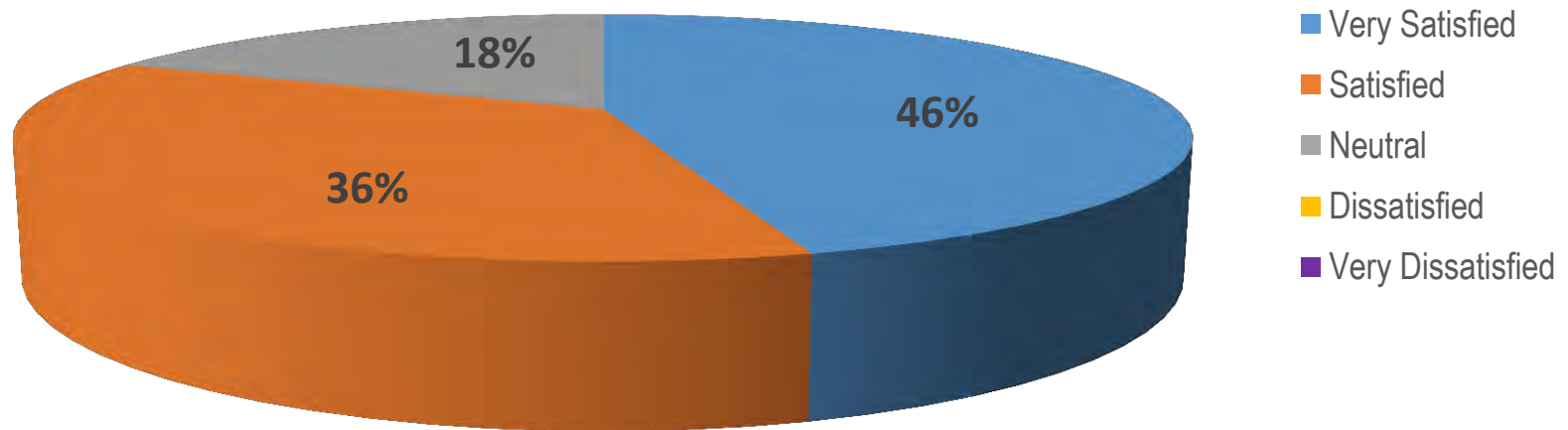
Strategic Analysis & Recommendations

Q4: Helps define appropriate risk parameters and identify mitigation strategies



Strategic Analysis & Recommendations

Q5: Makes sound strategic recommendations on portfolio structure

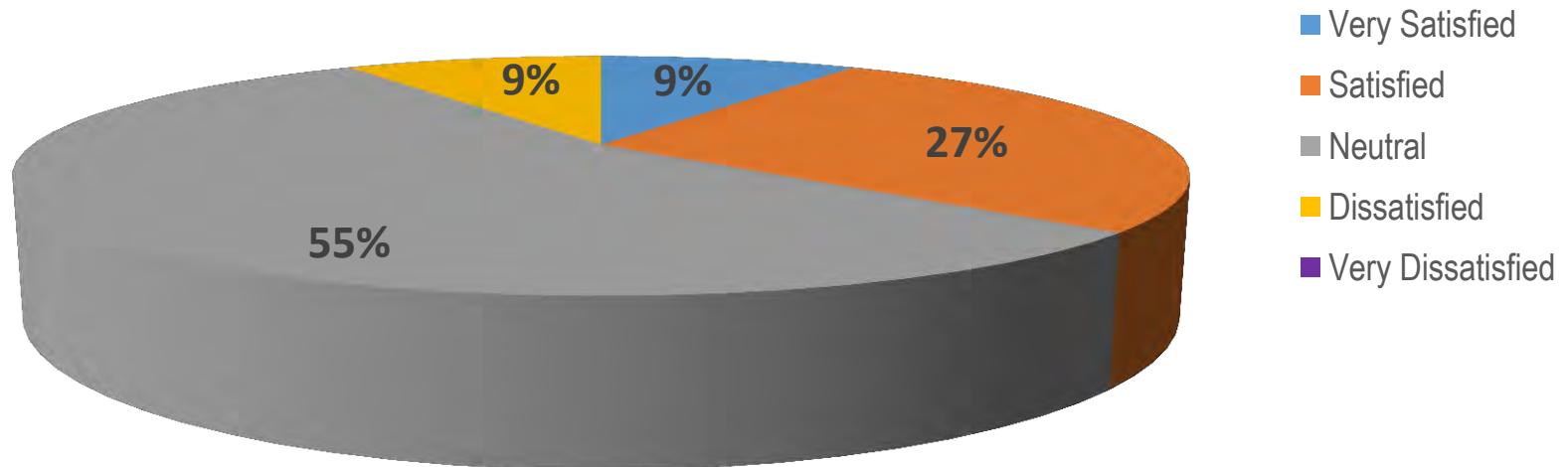


Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Key Area 2: Communications & Responsiveness

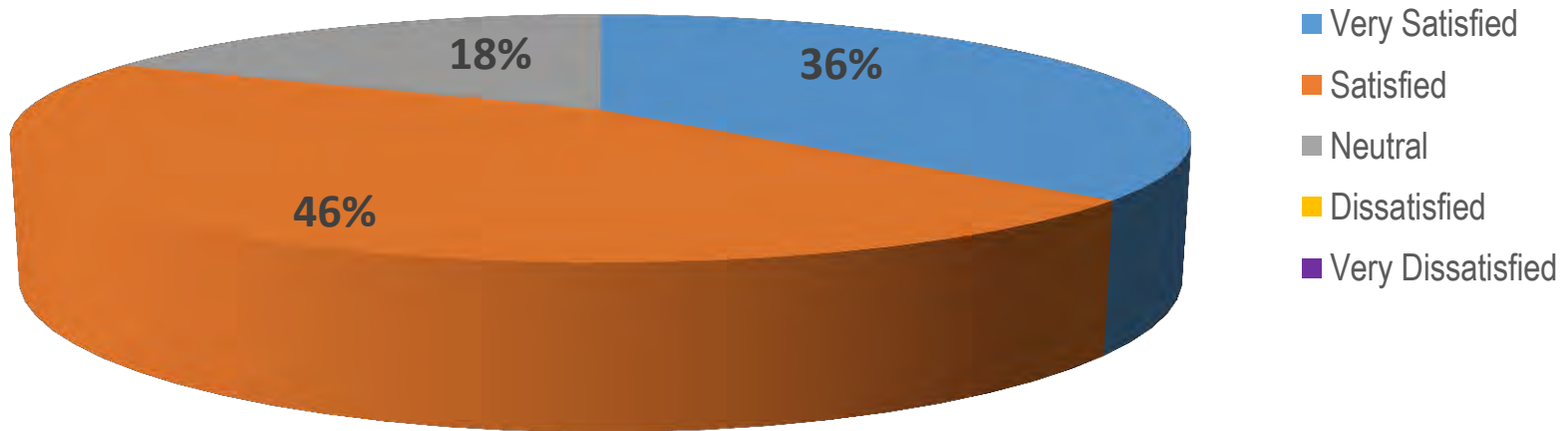
Communication & Responsiveness

Q6: Proactively identifies new investment ideas/approaches and brings them to Board's attention



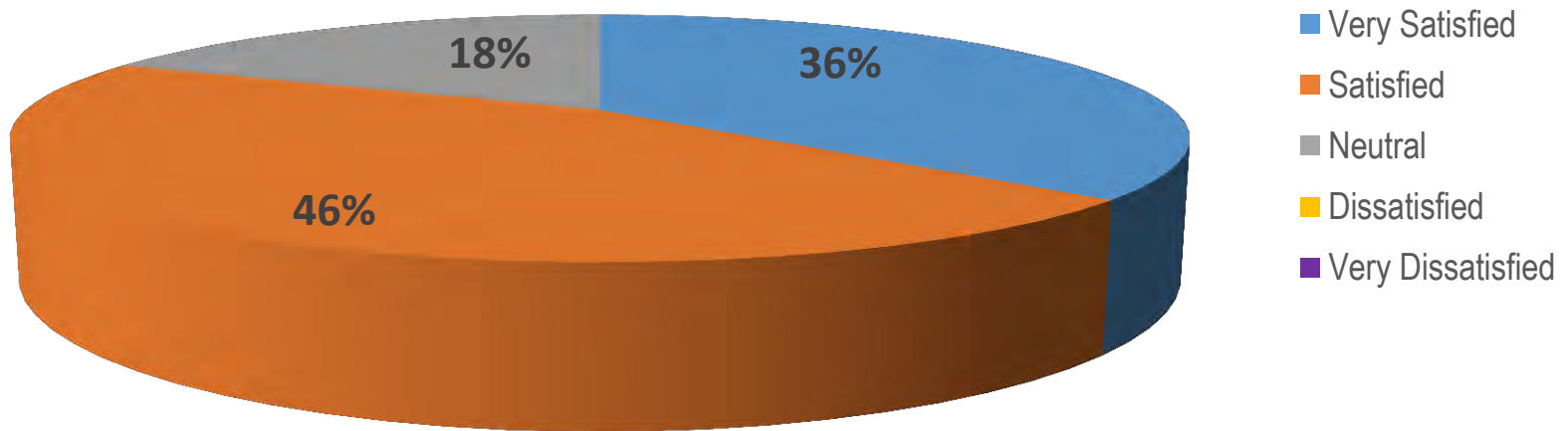
Communication & Responsiveness

Q7: Produces high quality reports that are clear and accurate



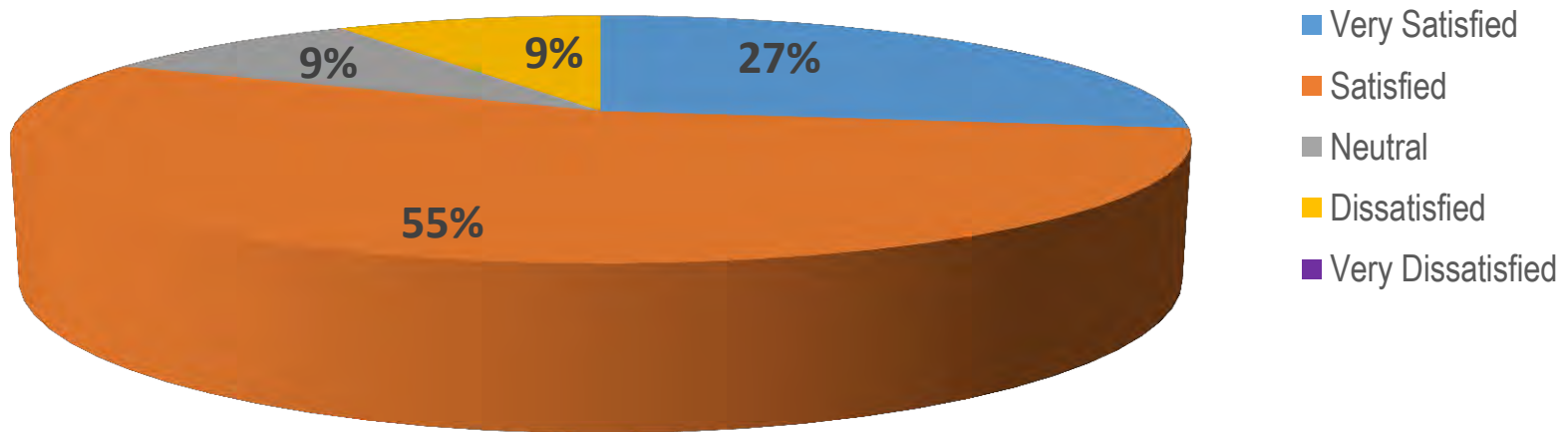
Communication & Responsiveness

Q8: Clearly and completely answers questions raised by the Board



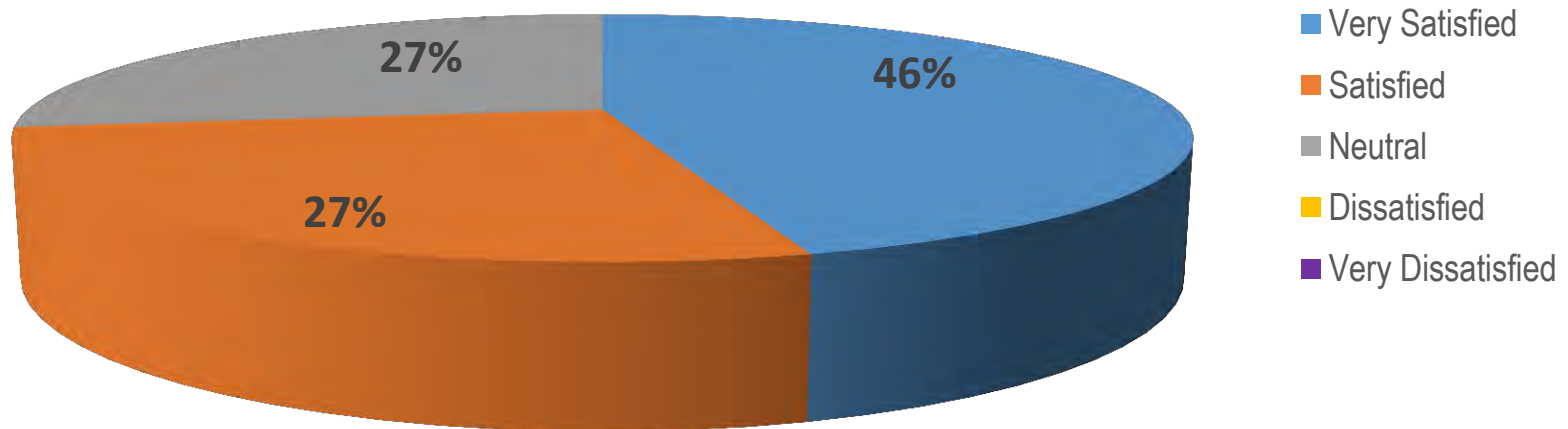
Communication & Responsiveness

Q9: Identifies and communicates with the board on issues of strategic importance



Communication & Responsiveness

Q10: Effectively evaluates and monitors relevant asset class/total fund developments



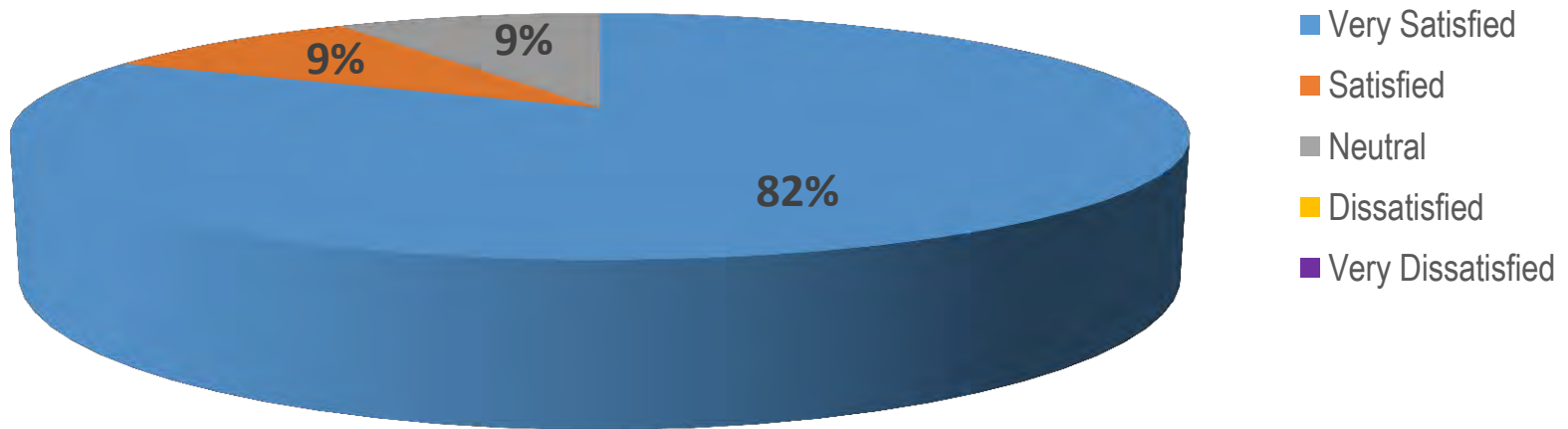
Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Key Area 3: Overall Performance

Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Overall Performance

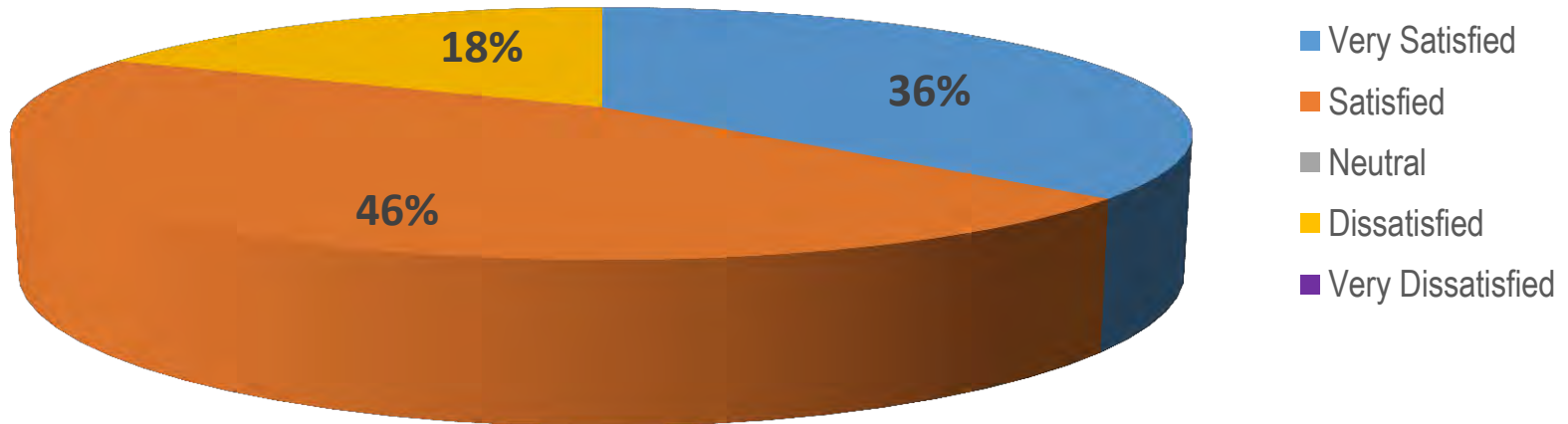
Q11: Thoroughly understand CalPERS' objectives and constraints



Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Overall Performance

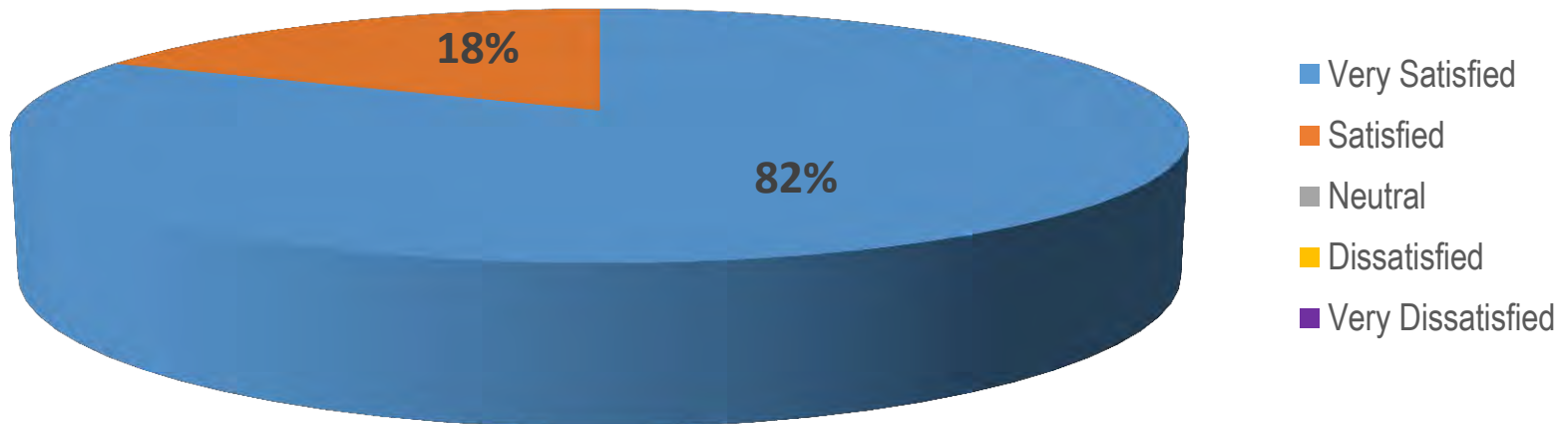
Q12: Provides independent, unbiased insight and advice



Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

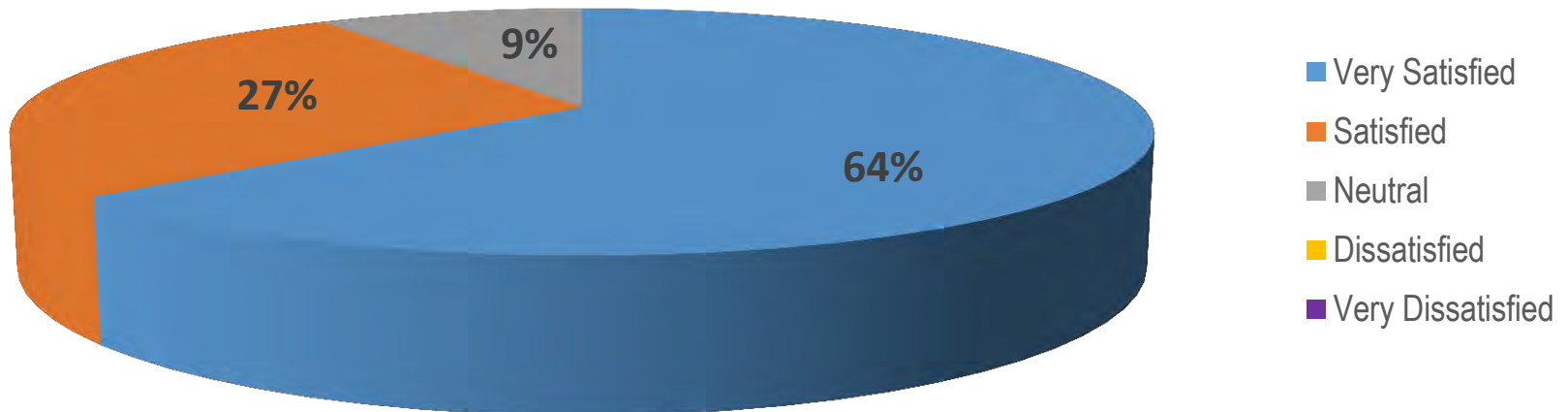
Overall Performance

Q13: Acts with honesty, integrity, and competence



Overall Performance

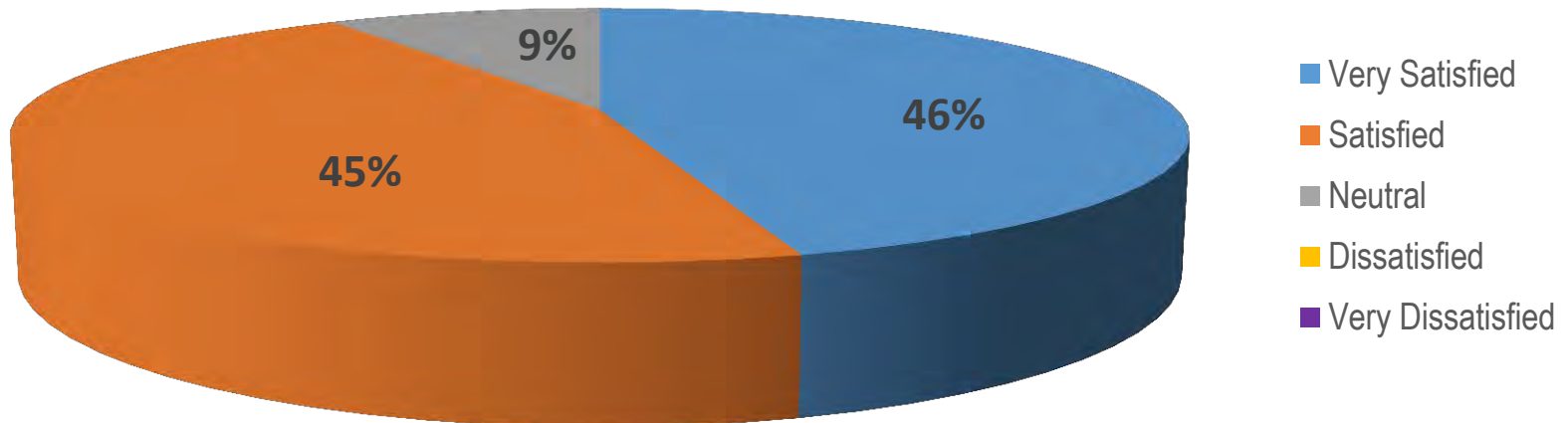
Q14: Works cooperatively to add value to CalPERS



Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Overall Performance

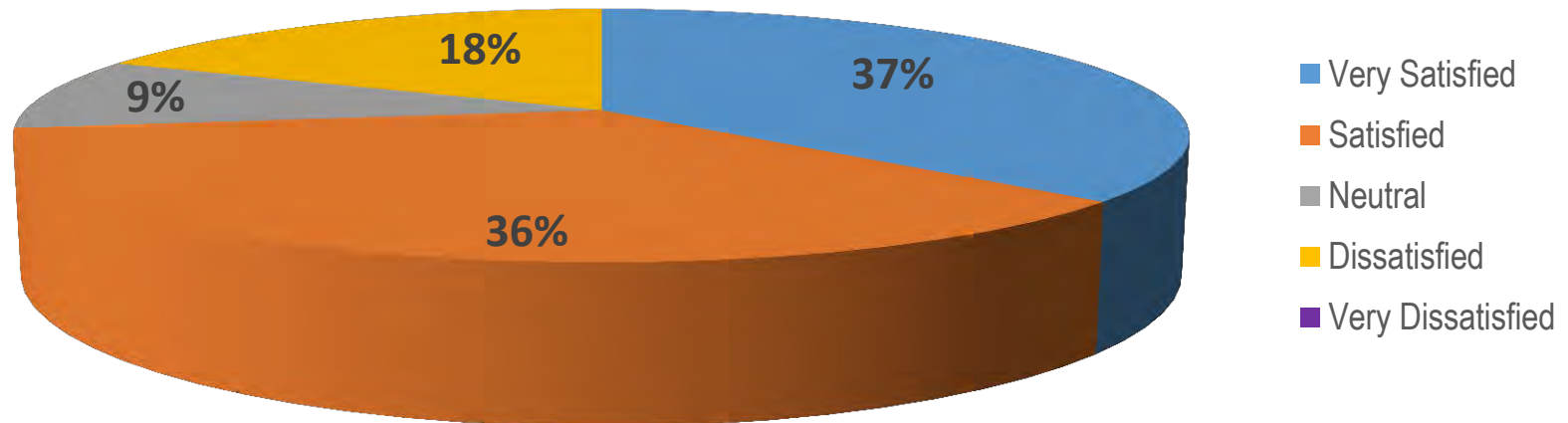
Q15: Fulfills fiduciary responsibility



Board Consultant Review & Evaluation Report – Wilshire Associates, Inc. (General Pension)

Overall Performance

Q16: Clearly understands it works for the Board and with CalPERS staff

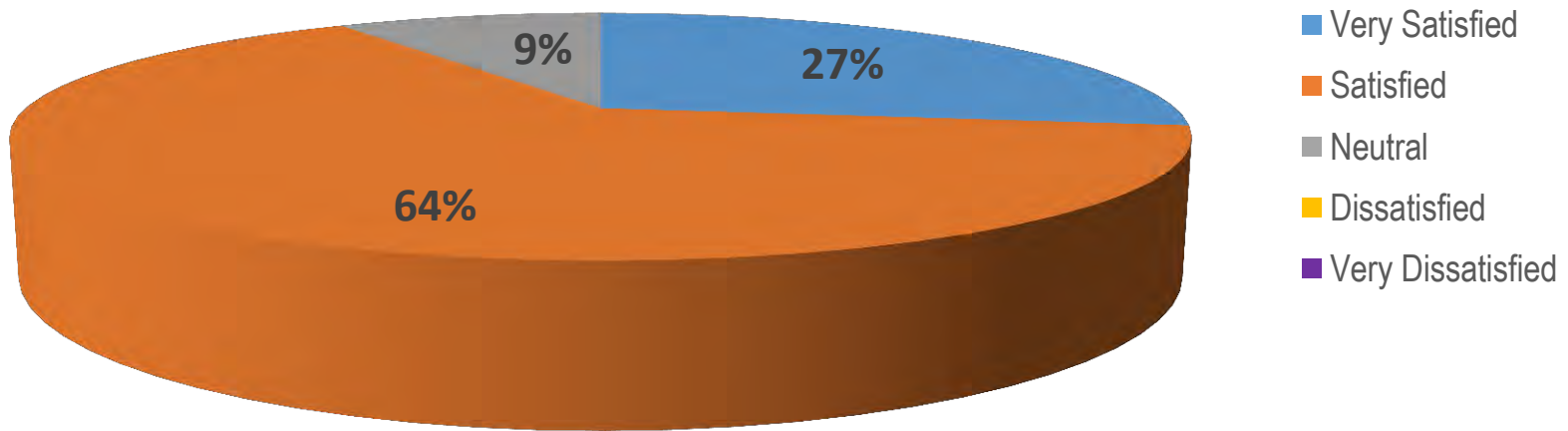


Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (Real Estate)

Key Area 1: Strategic Analysis & Recommendations

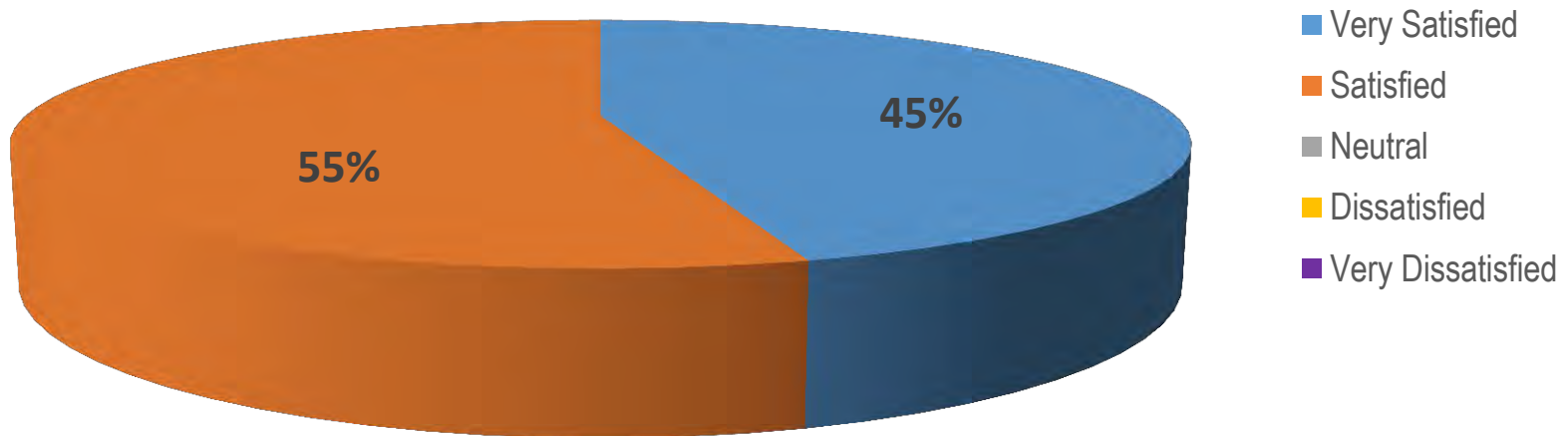
Strategic Analysis & Recommendations

Q1: Accurately analyzes issues and provides timely and objective information



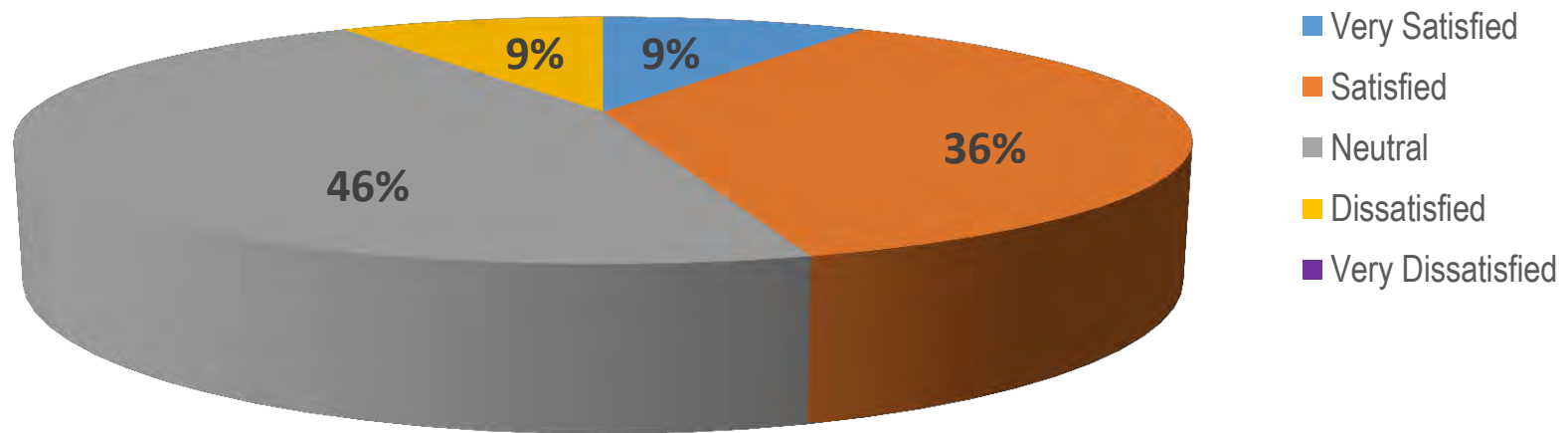
Strategic Analysis & Recommendations

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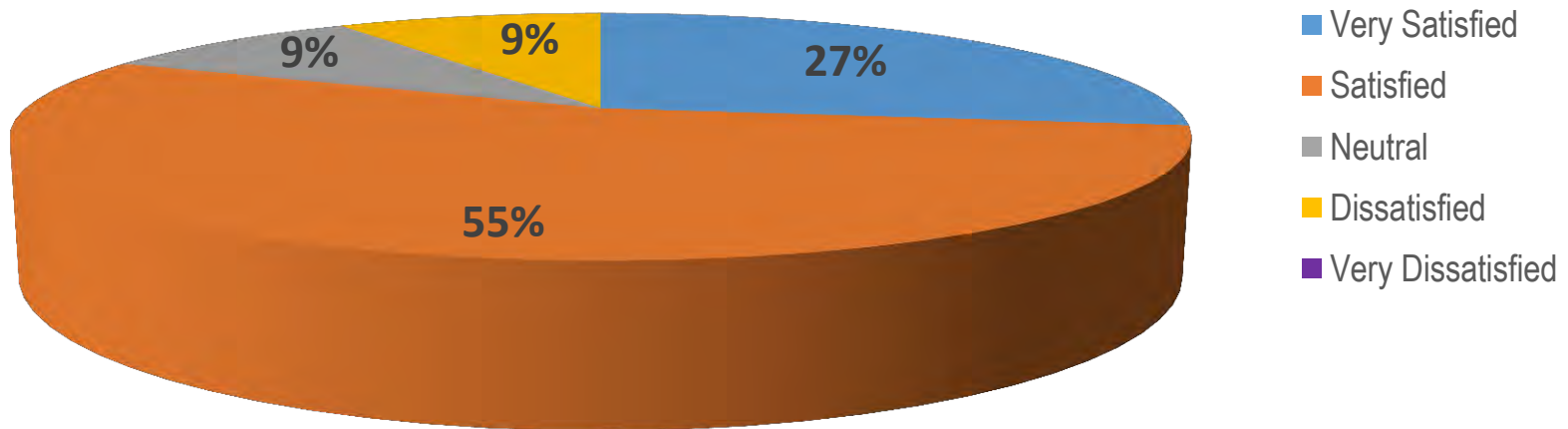
Strategic Analysis & Recommendations

Q3: Recommends ways to control or reduce fees and costs



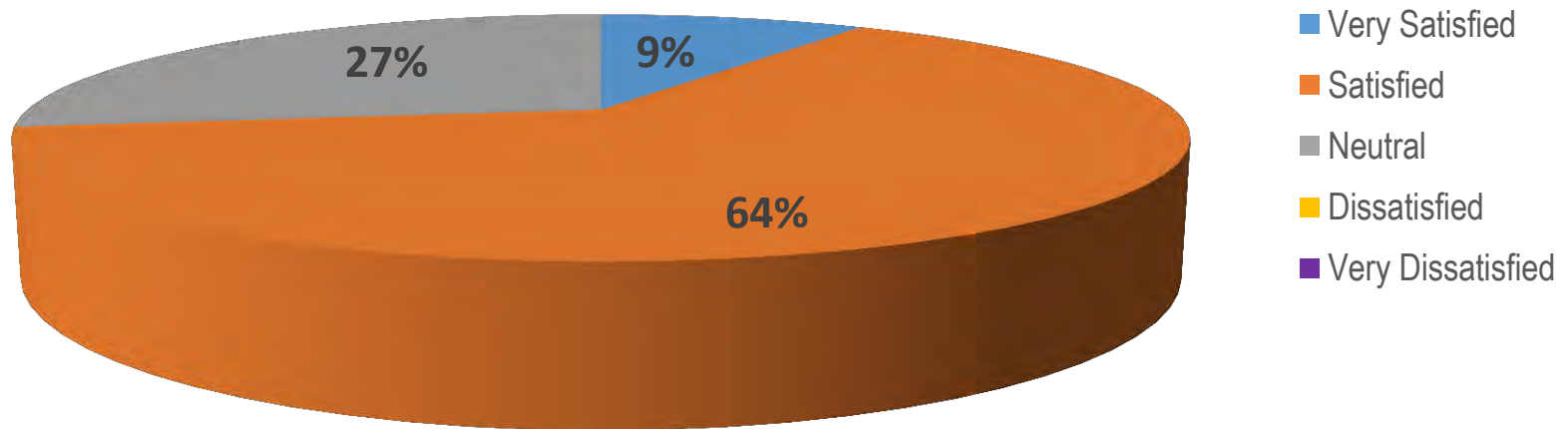
Strategic Analysis & Recommendations

Q4: Helps define appropriate risk parameters and identify mitigation strategies



Strategic Analysis & Recommendations

Q5: Makes sound strategic recommendations on portfolio structure

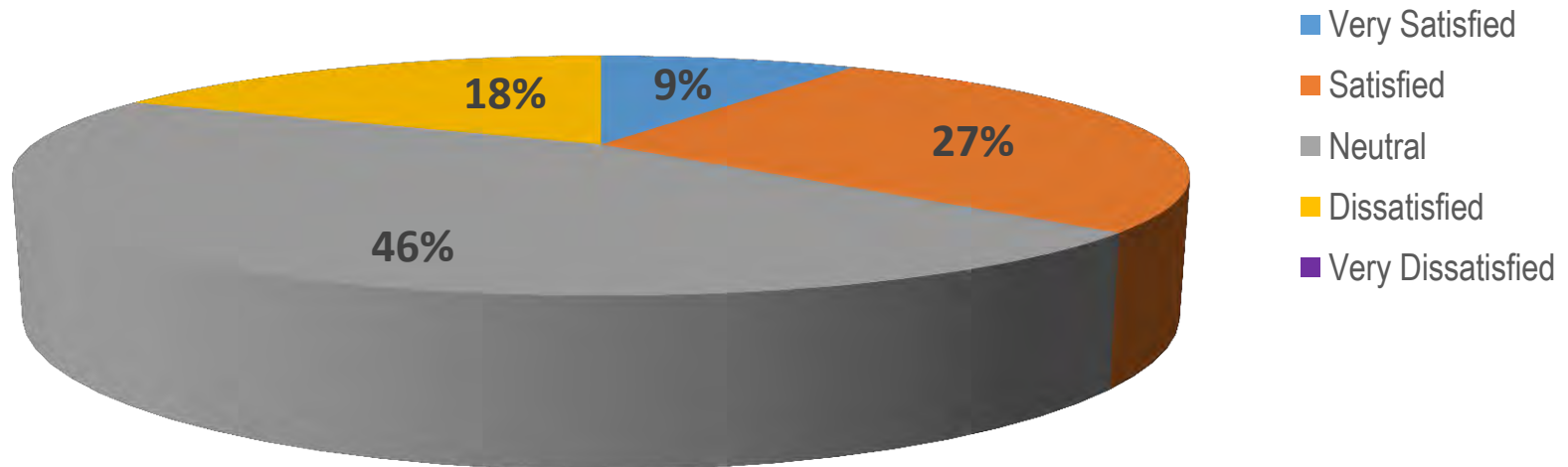


Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (Real Estate)

Key Area 2: Communications & Responsiveness

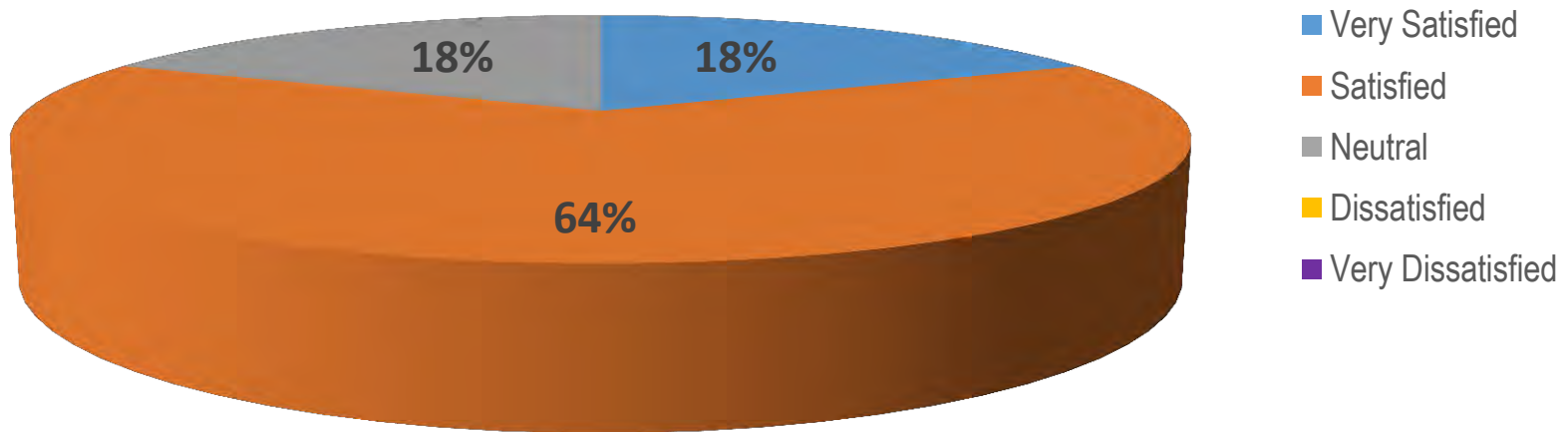
Communication & Responsiveness

Q6: Proactively identifies new investment ideas/approaches and brings them to Board's attention



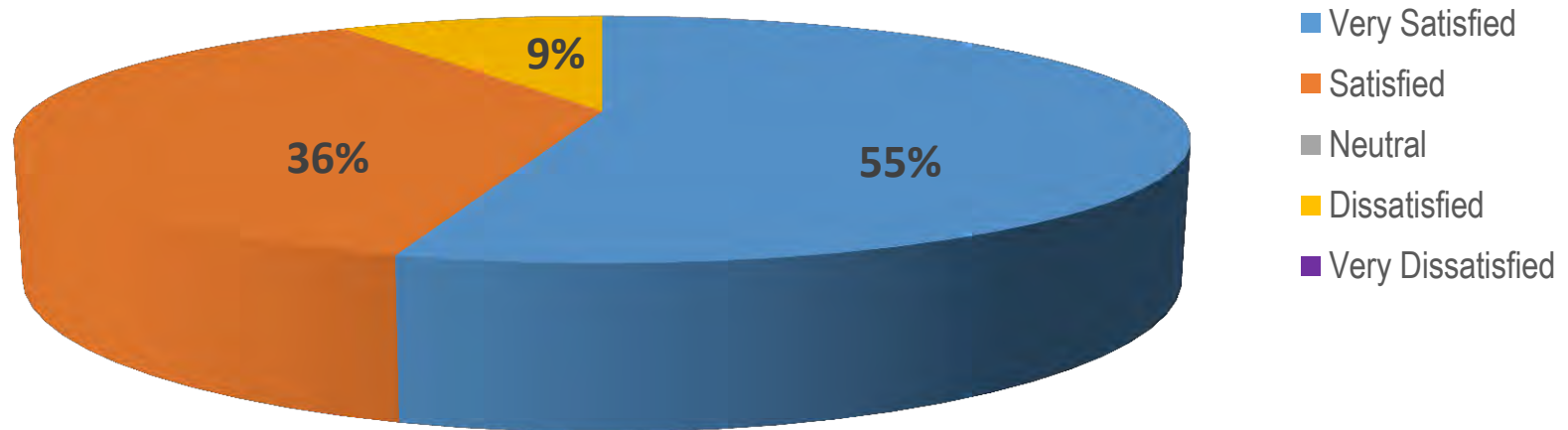
Communication & Responsiveness

Q7: Produces high quality reports that are clear and accurate



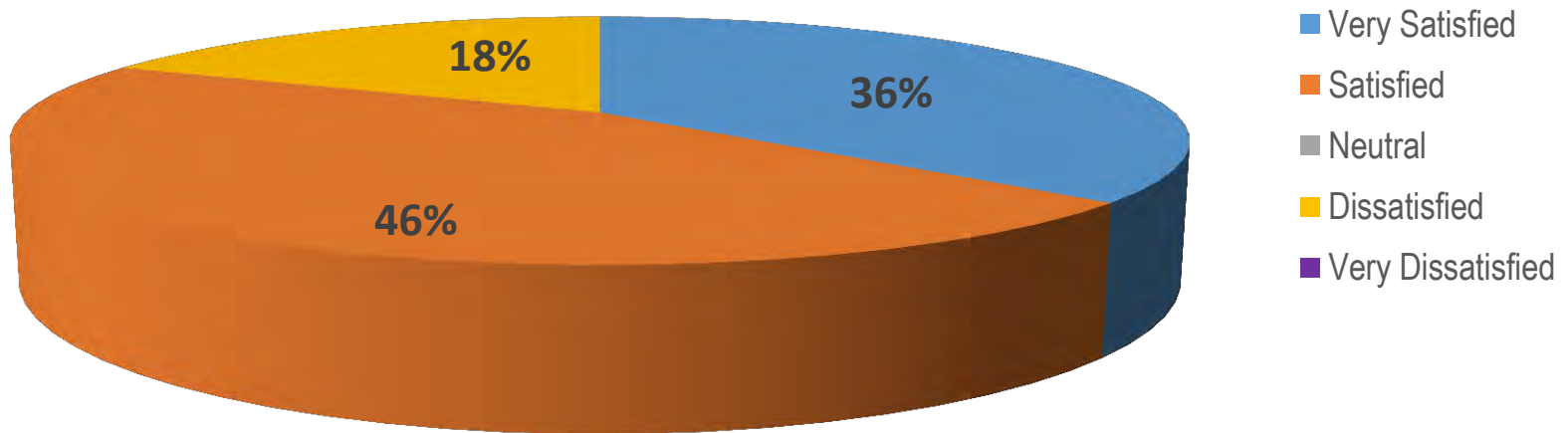
Communication & Responsiveness

Q8: Clearly and completely answers questions raised by the Board



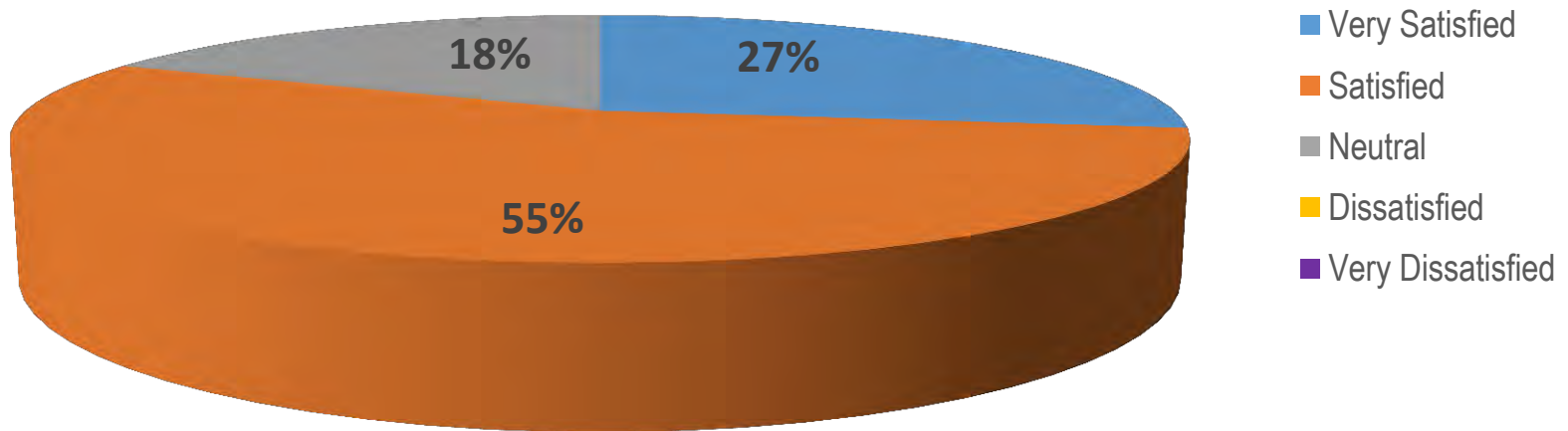
Communication & Responsiveness

Q9: Identifies and communicates with the board on issues of strategic importance



Communication & Responsiveness

Q10: Effectively evaluates and monitors relevant asset class/total fund developments

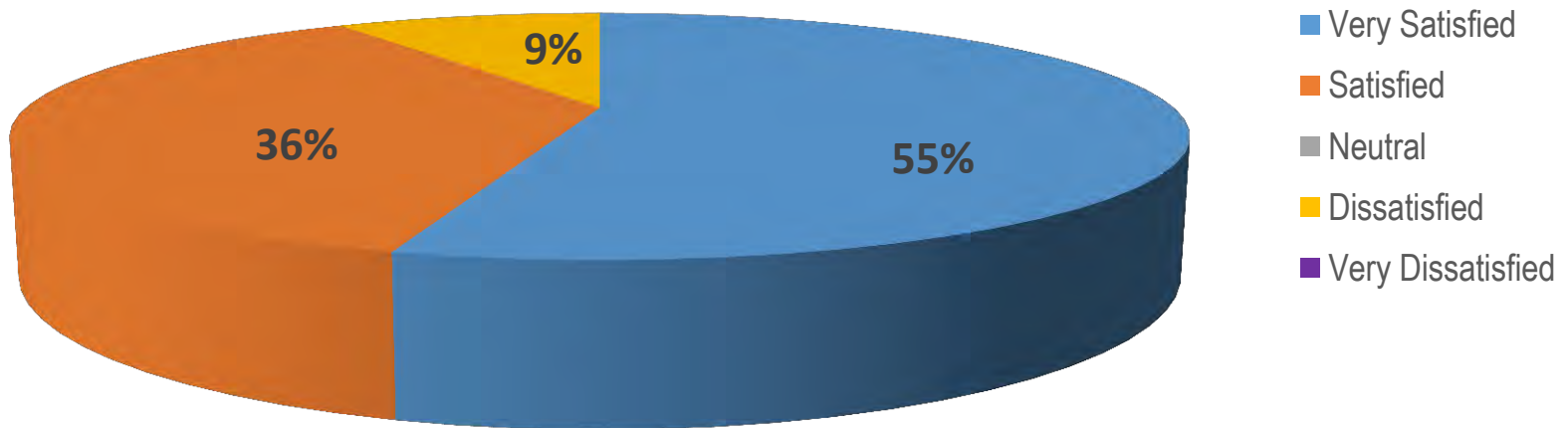


Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (Real Estate)

Key Area 3: Overall Performance

Overall Performance

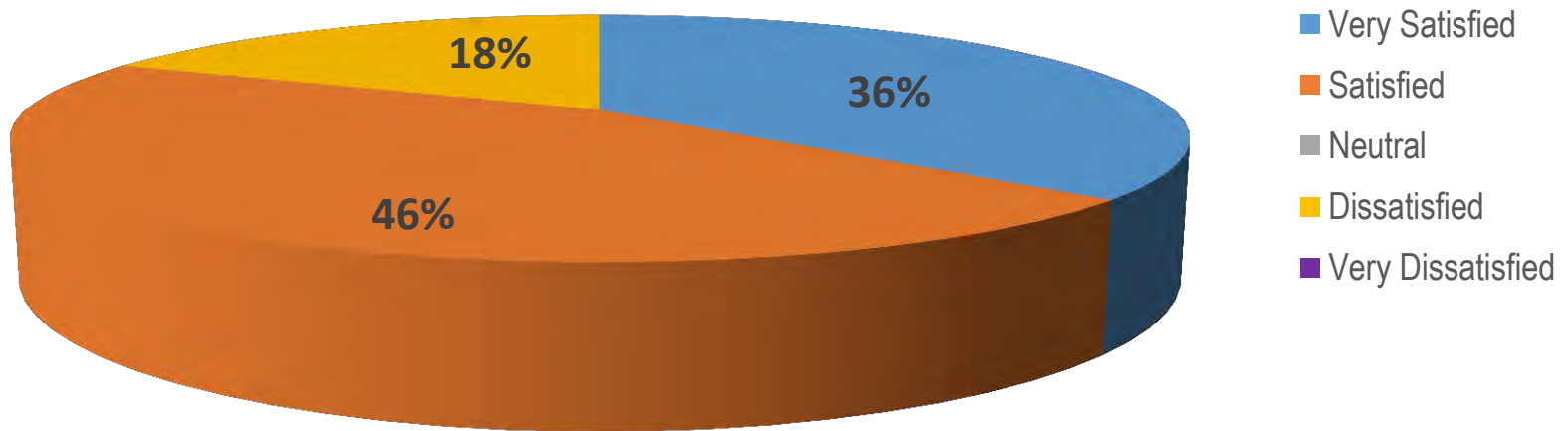
Q11: Thoroughly understand CalPERS' objectives and constraints



Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (Real Estate)

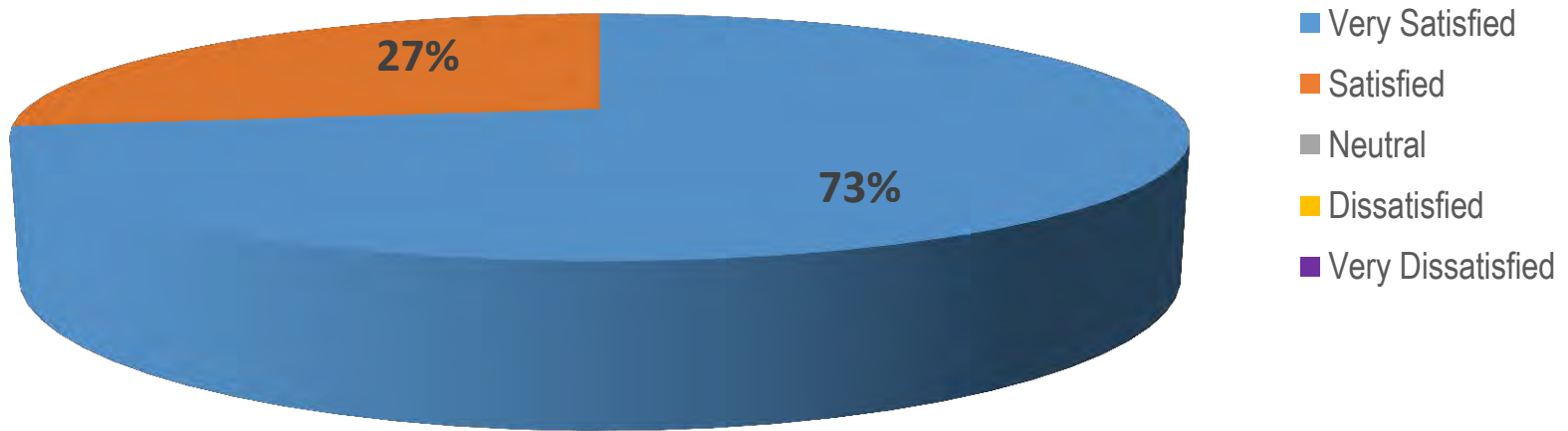
Overall Performance

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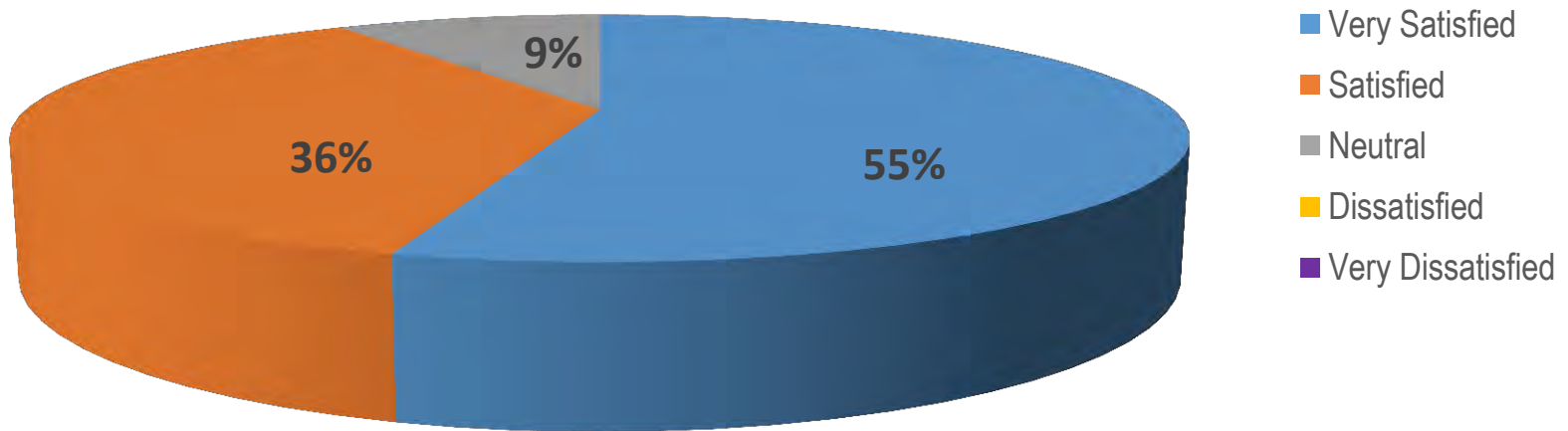
Overall Performance

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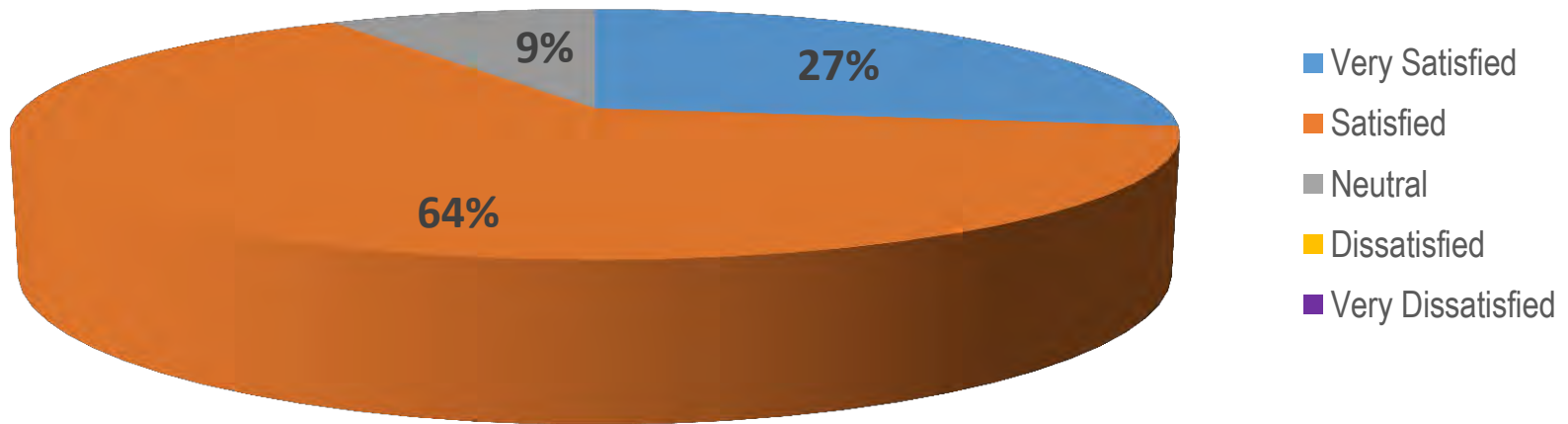
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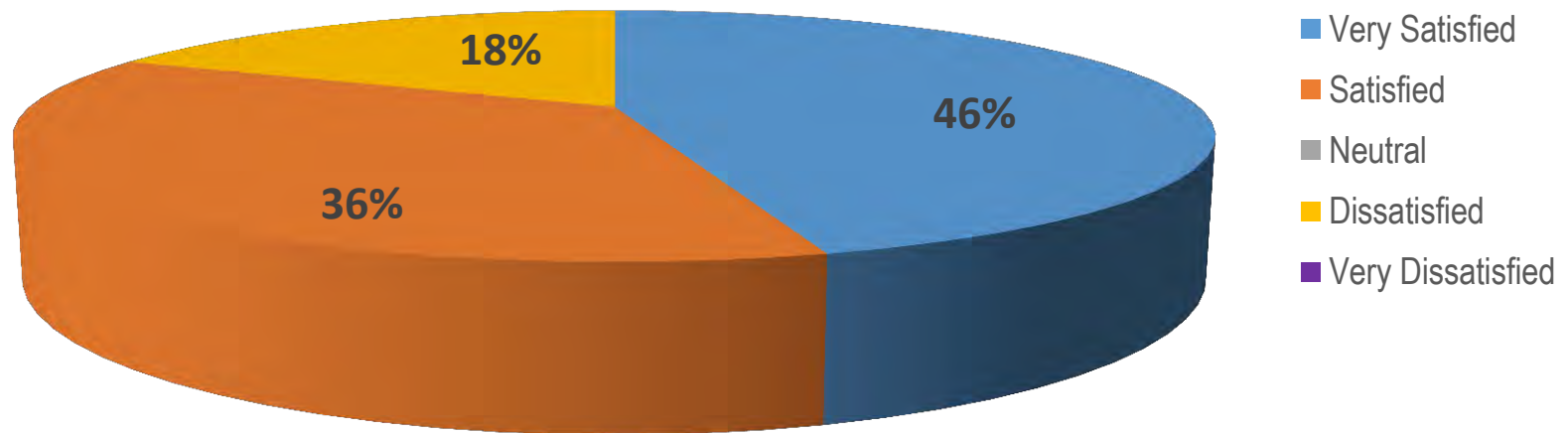
Overall Performance

Q15: Fulfills fiduciary responsibility



Overall Performance

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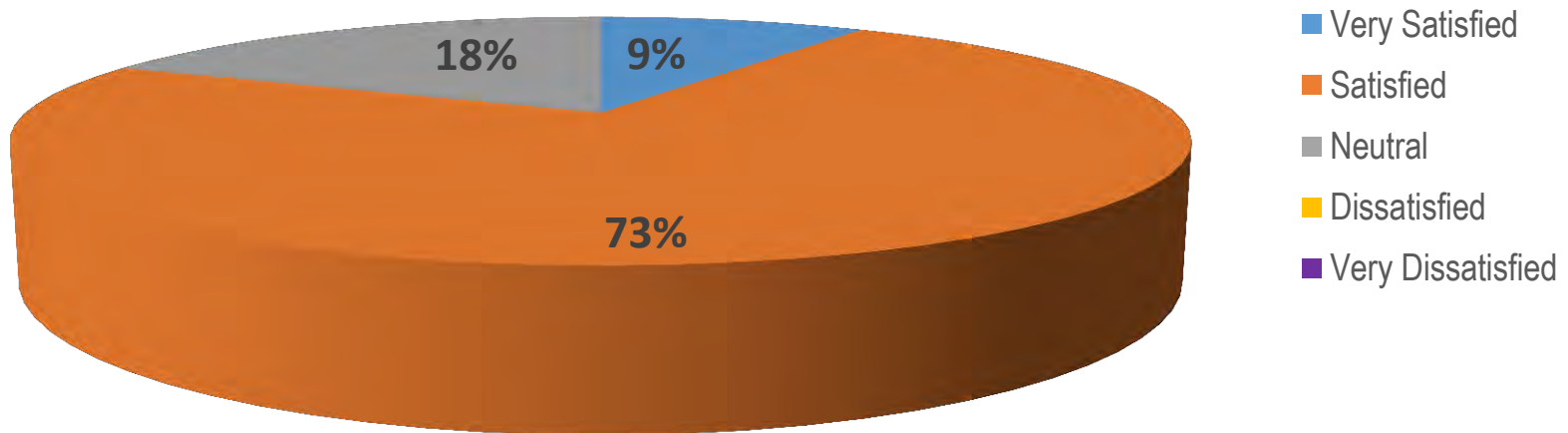


Board Consultant Review & Evaluation Report – StepStone Group, LP (Infrastructure)

Key Area 1: Strategic Analysis & Recommendations

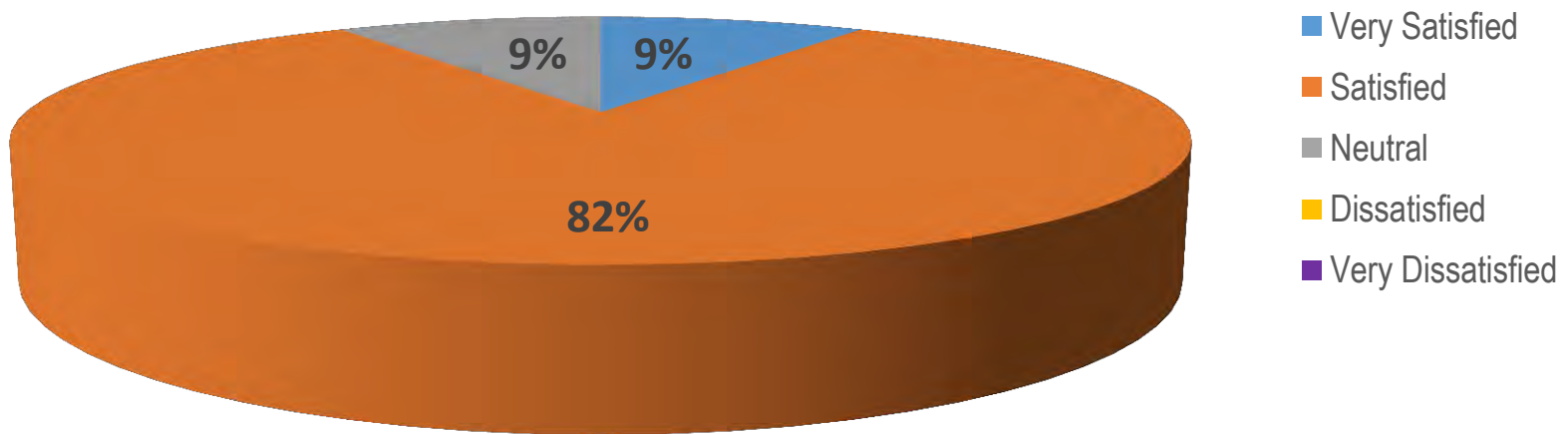
Strategic Analysis & Recommendations

Q1: Accurately analyzes issues and provides timely and objective information



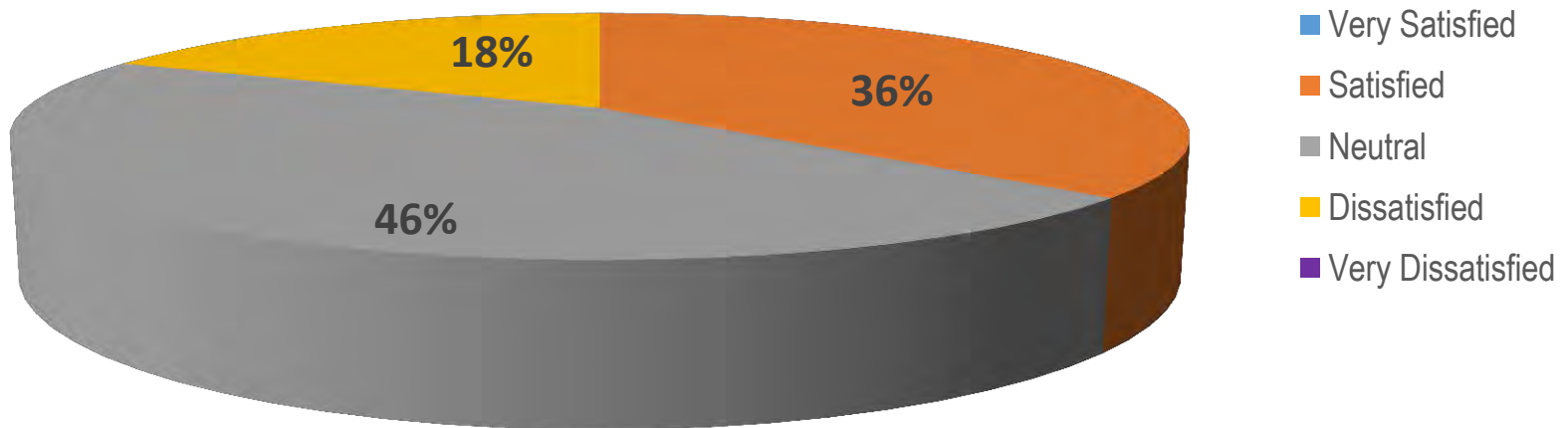
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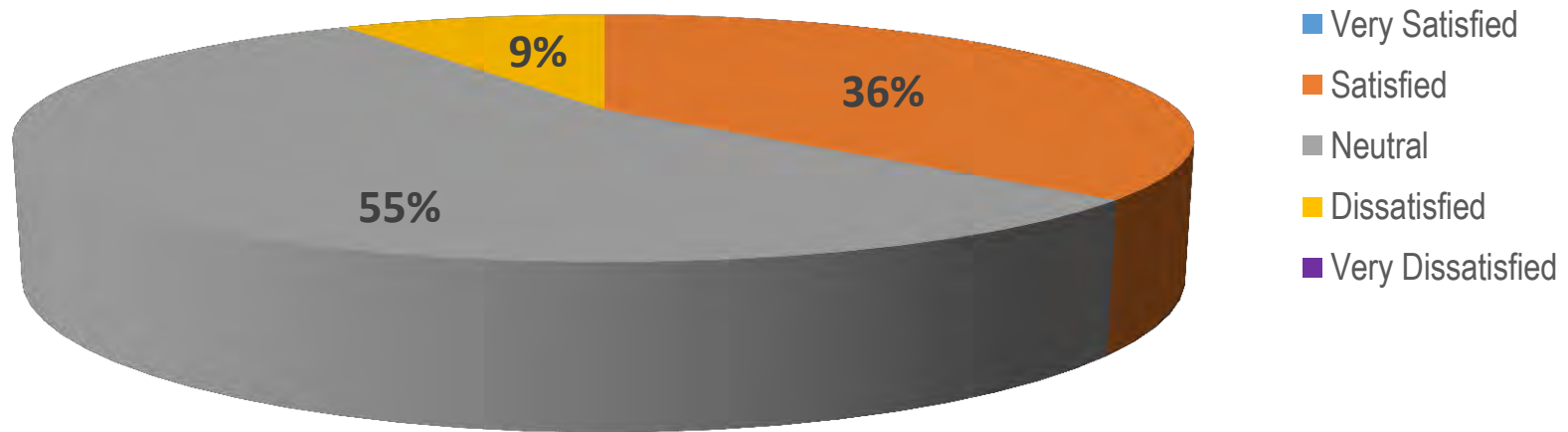
Strategic Analysis & Recommendations

Q3: Recommends ways to control or reduce fees and costs



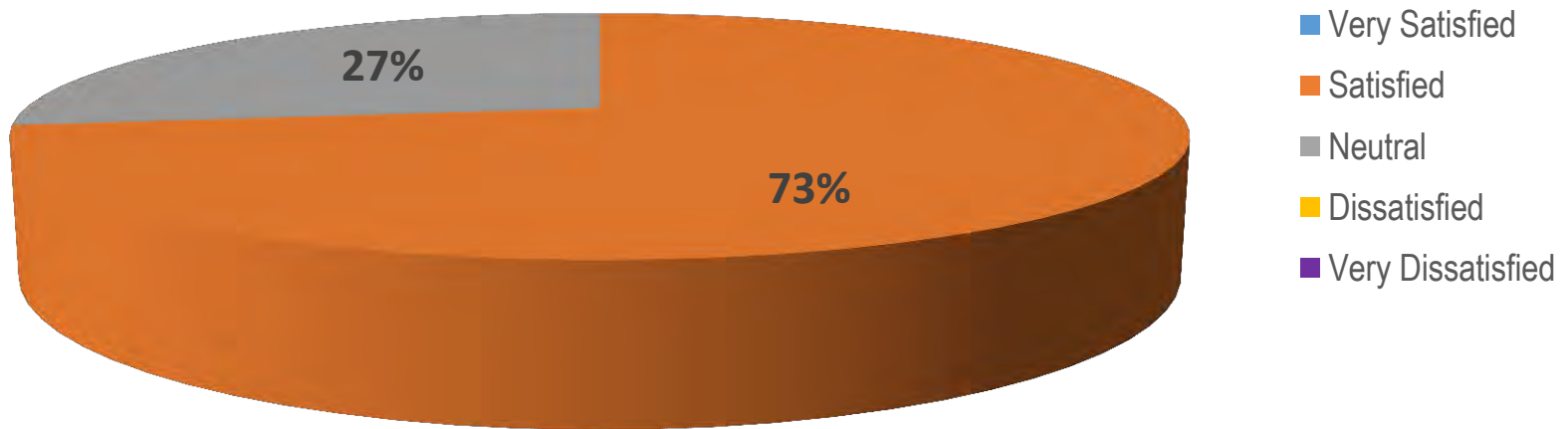
Strategic Analysis & Recommendations

Q4: Helps define appropriate risk parameters and identify mitigation strategies



Strategic Analysis & Recommendations

Q5: Makes sound strategic recommendations on portfolio structure

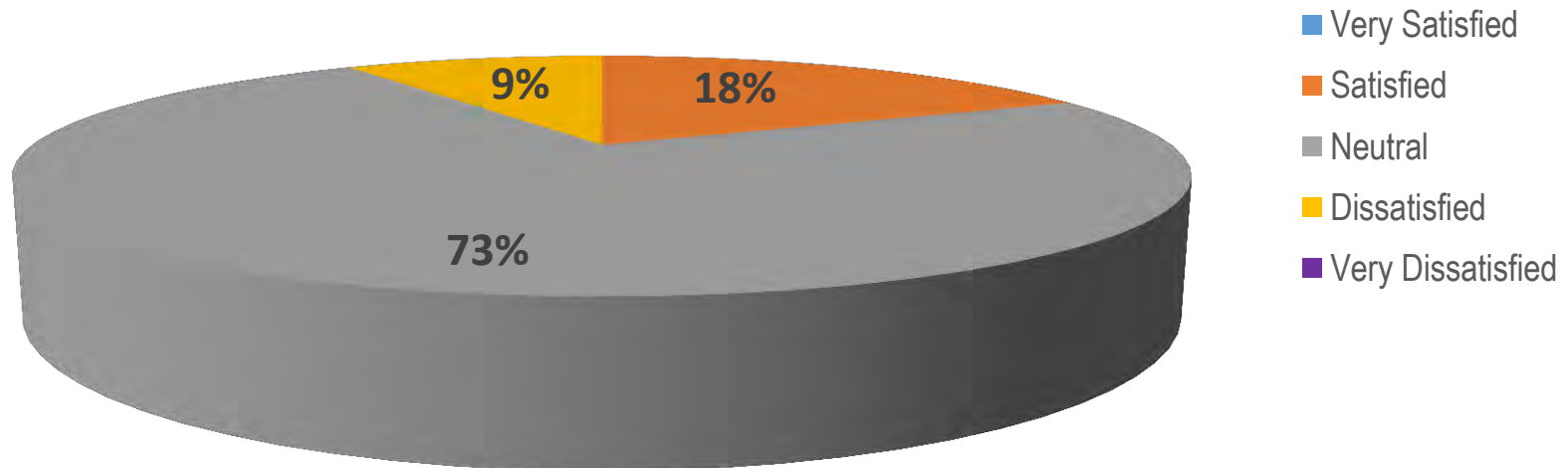


Board Consultant Review & Evaluation Report – StepStone Group, LP (Infrastructure)

Key Area 2: Communications & Responsiveness

Communication & Responsiveness

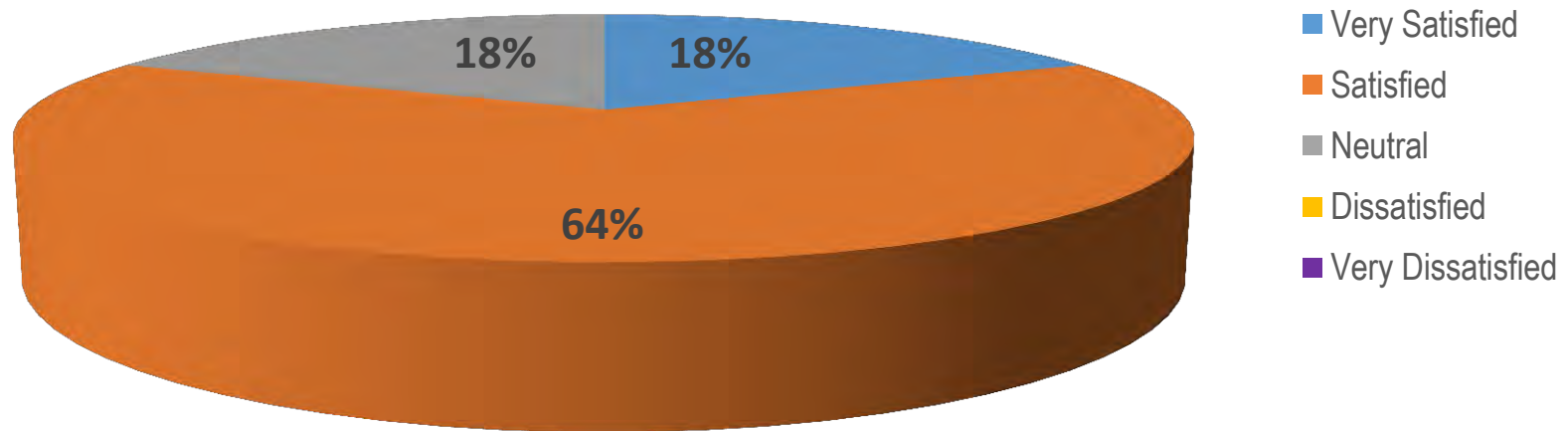
Q6: Proactively identifies new investment ideas/approaches and brings them to Board's attention



Board Consultant Review & Evaluation Report – StepStone Group, LP (Infrastructure)

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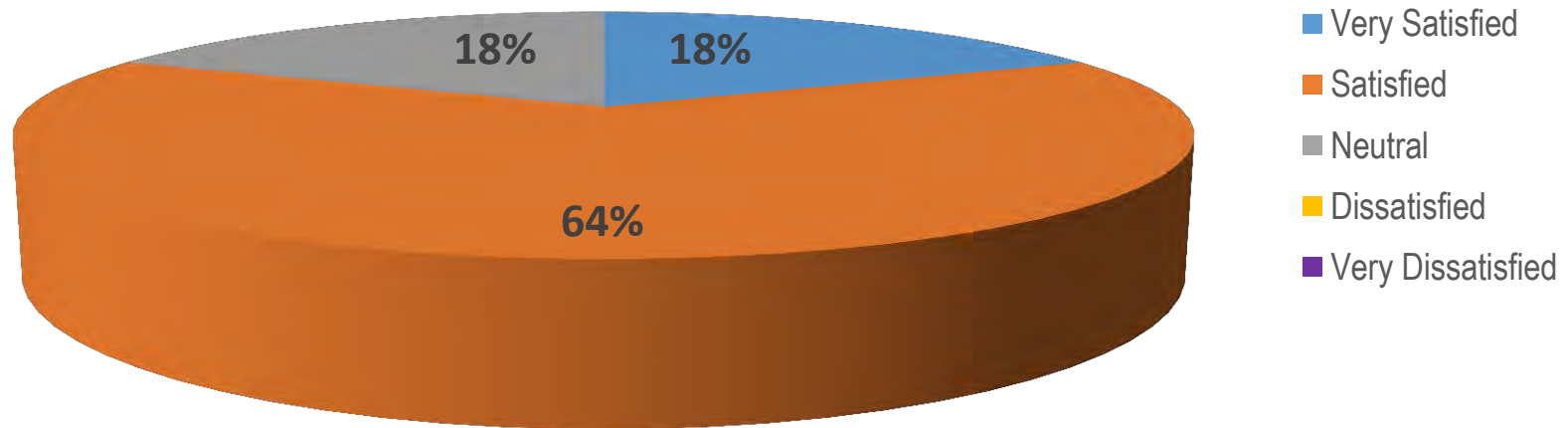
Q7: Produces high quality reports that are clear and accurate



Board Consultant Review & Evaluation Report – StepStone Group, LP (Infrastructure)

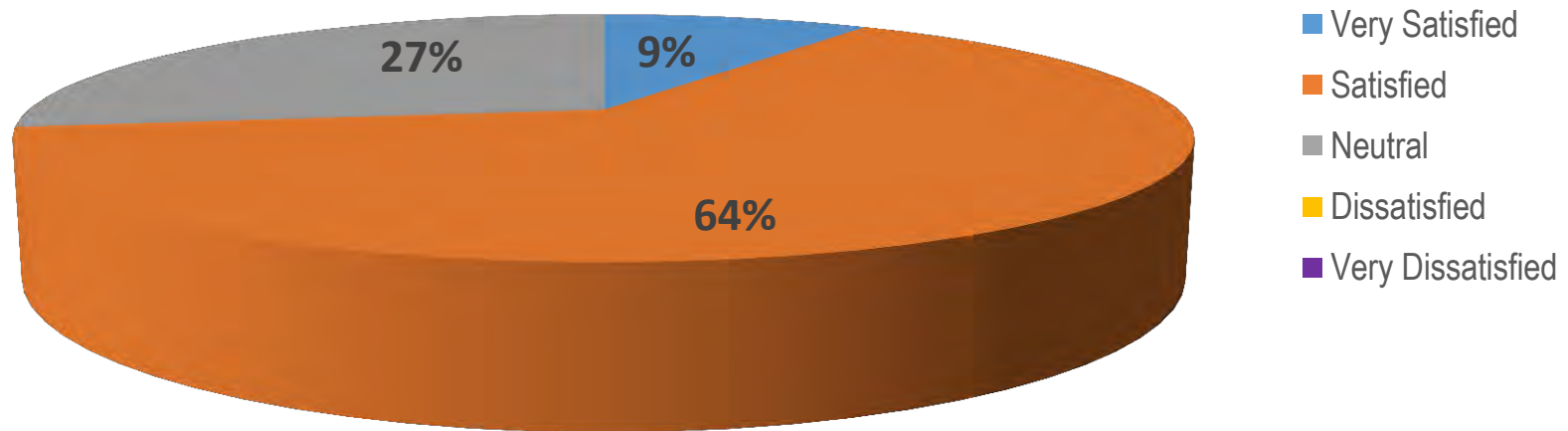
Communication & Responsiveness

Q8: Clearly and completely answers questions raised by the Board



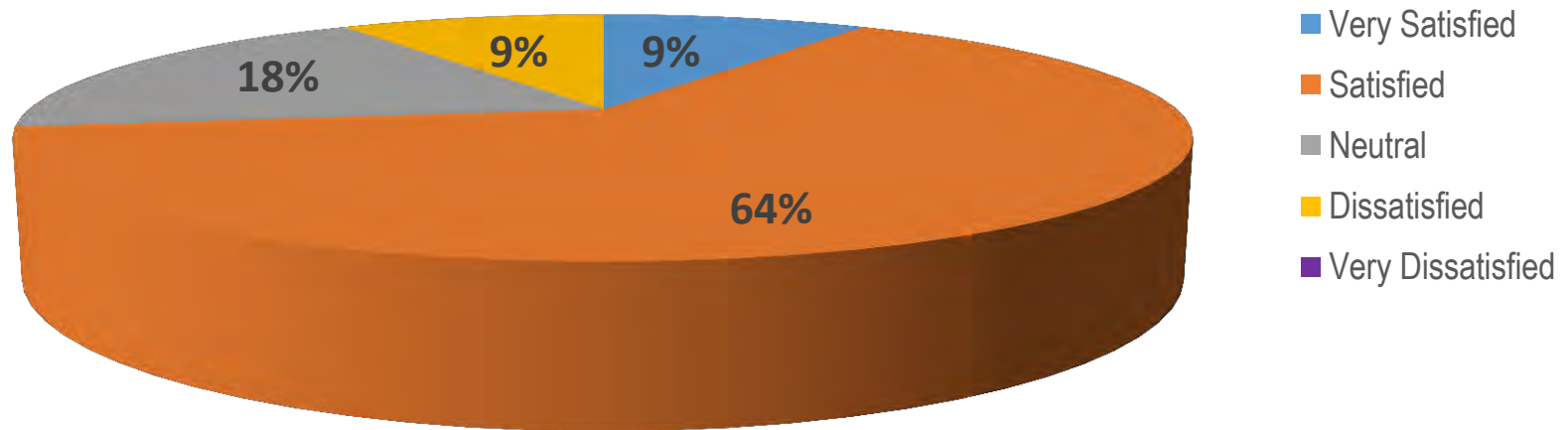
Communication & Responsiveness

Q9: Identifies and communicates with the board on issues of strategic importance



Communication & Responsiveness

Q10: Effectively evaluates and monitors relevant asset class/total fund developments



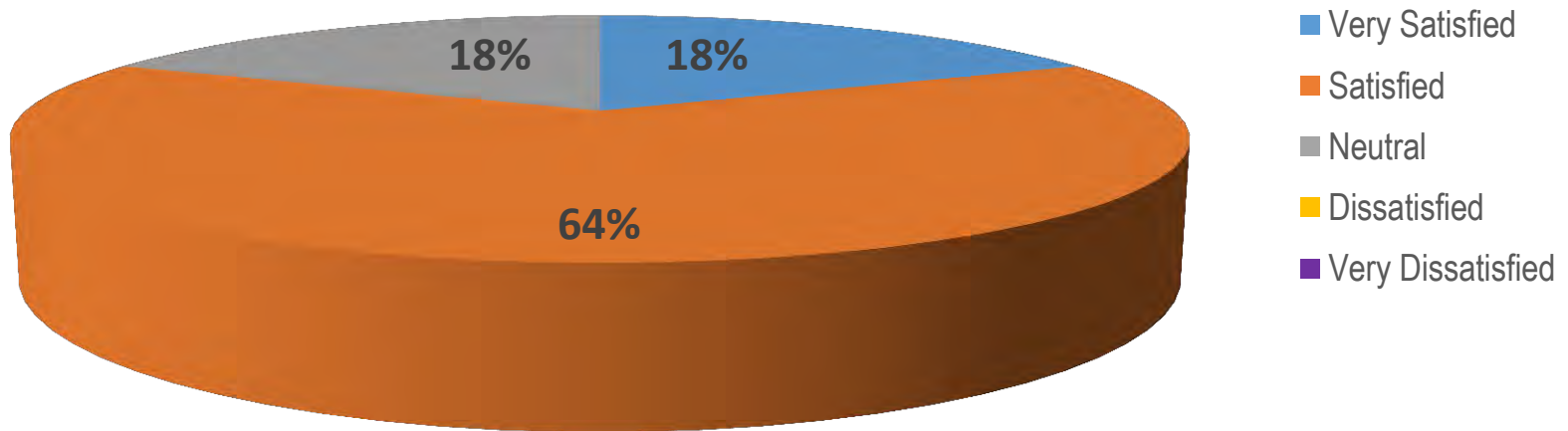
Board Consultant Review & Evaluation Report – StepStone Group, LP (Infrastructure)

Key Area 3: Overall Performance

Board Consultant Review & Evaluation Report – StepStone Group, LP (Infrastructure)

Overall Performance

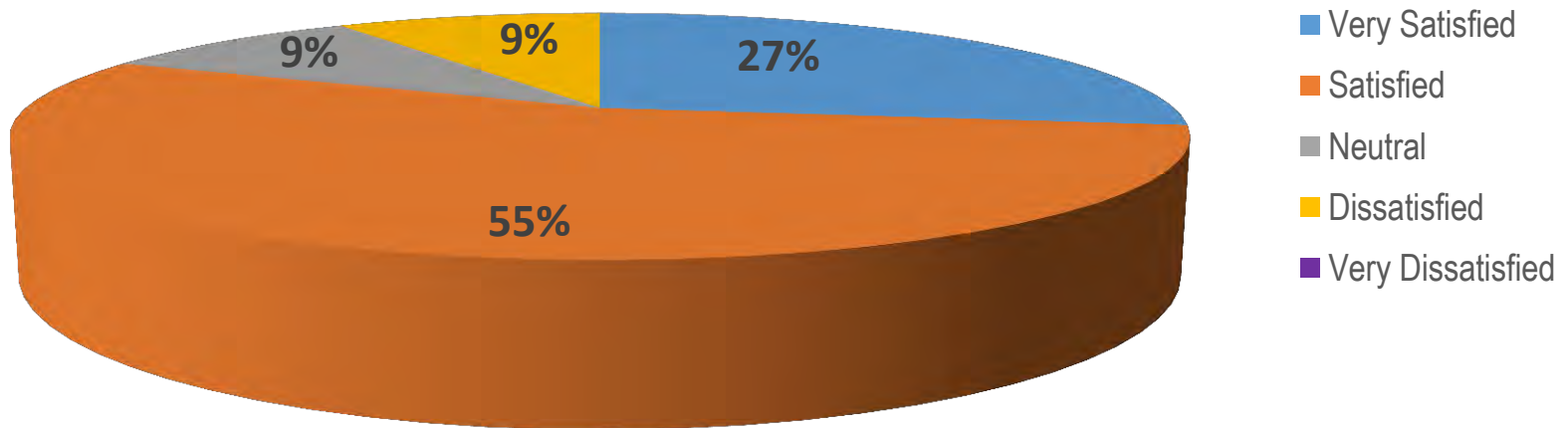
Q11: Thoroughly understand CalPERS' objectives and constraints



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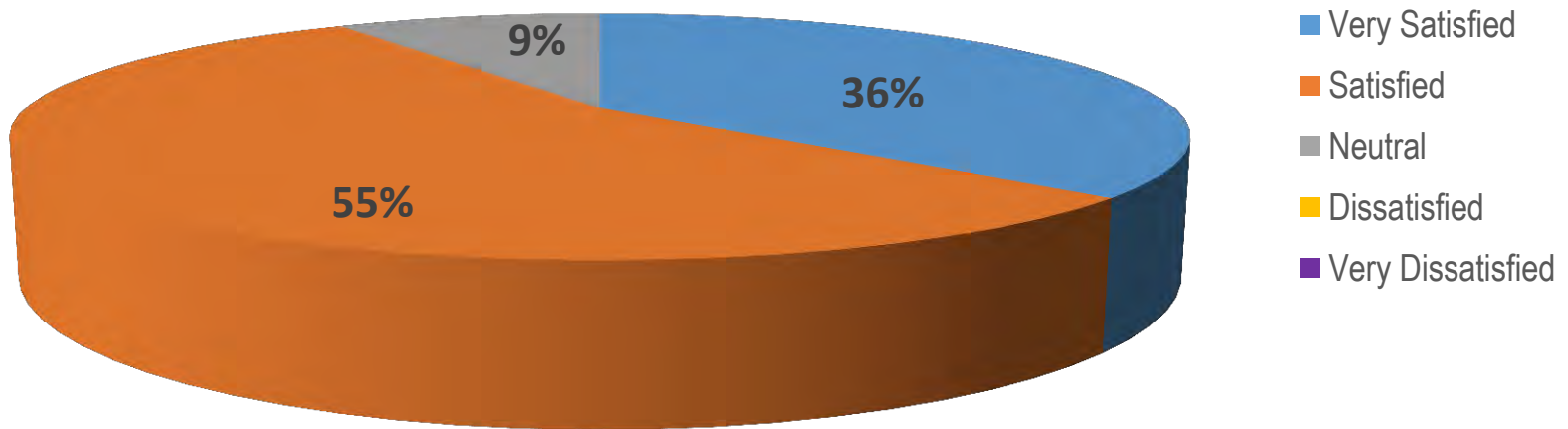
Overall Performance

Q12: Provides independent, unbiased insight and advice



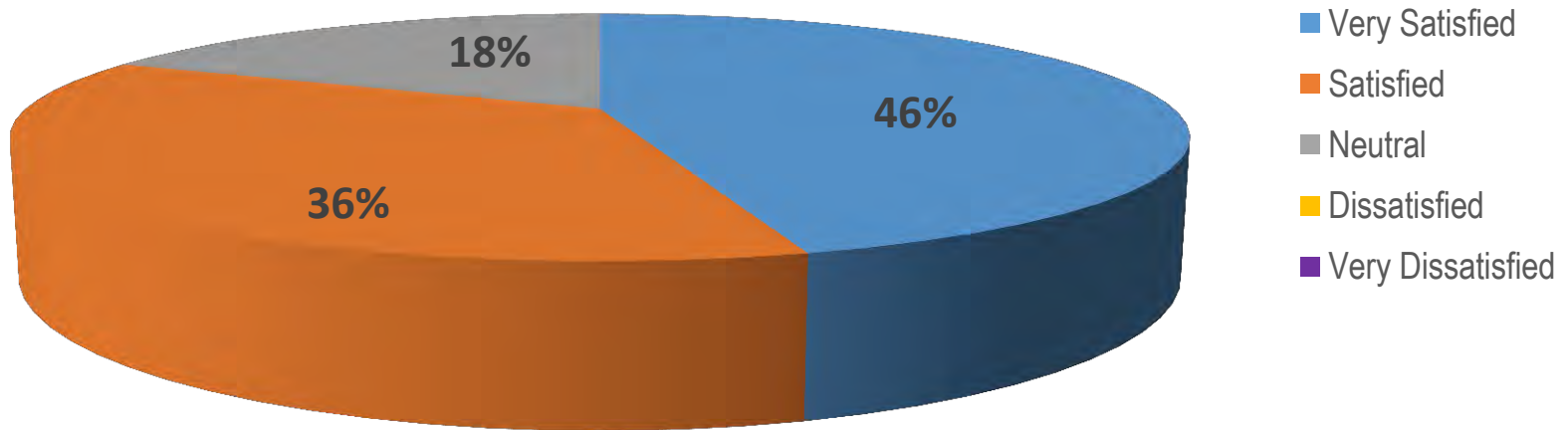
Overall Performance

Q13: Acts with honesty, integrity, and competence



Overall Performance

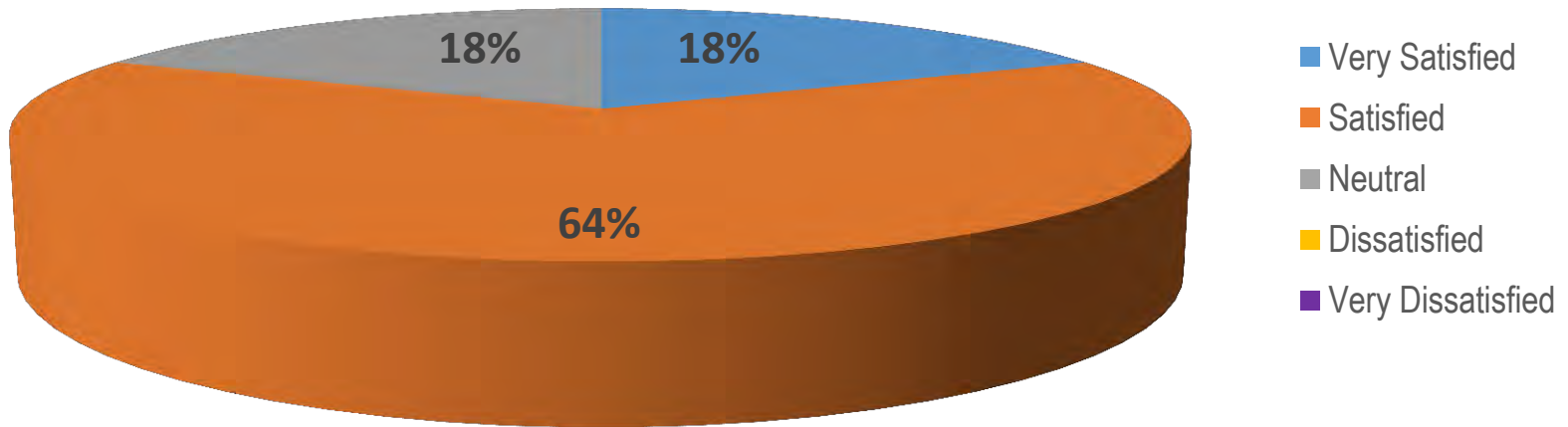
Q14: Works cooperatively to add value to CalPERS



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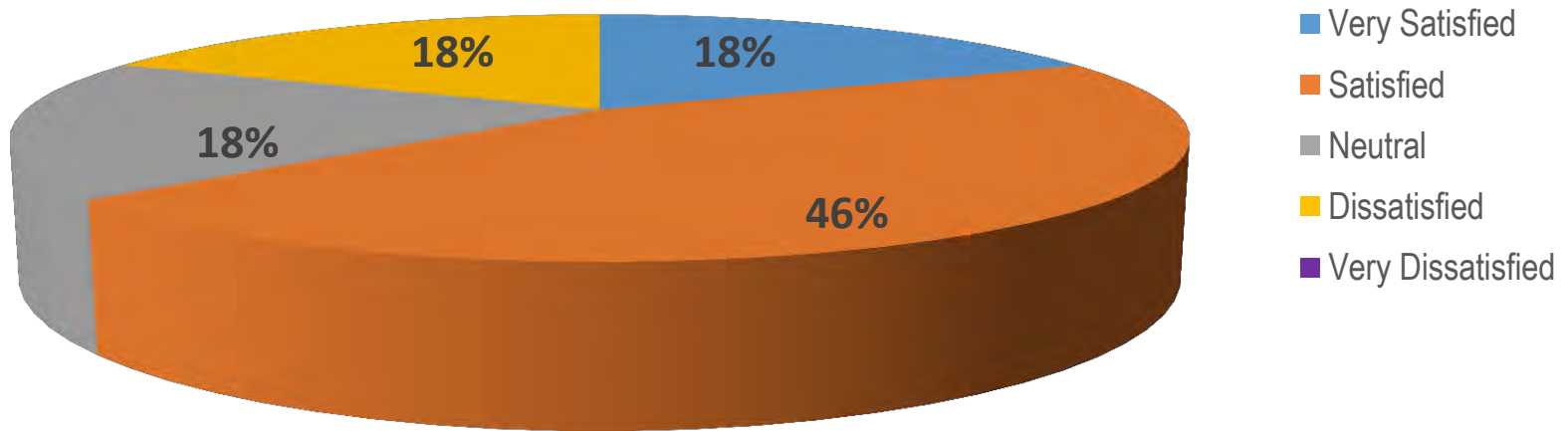
Overall Performance

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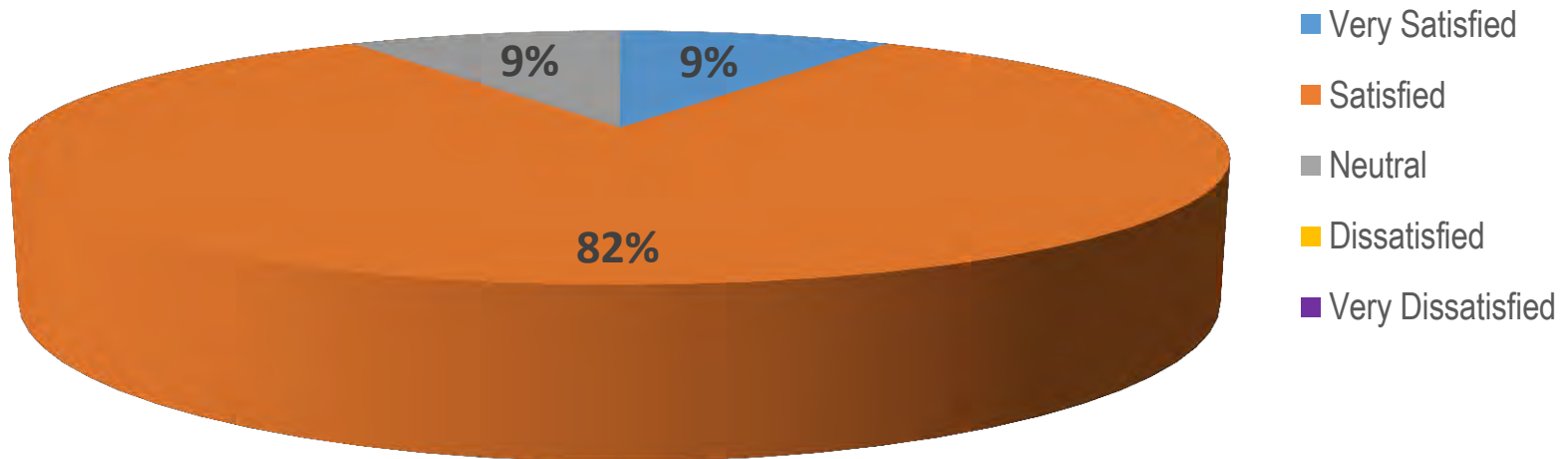


Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (General Investment & Responsible Contractor Program)

Key Area 1: Strategic Analysis & Recommendations

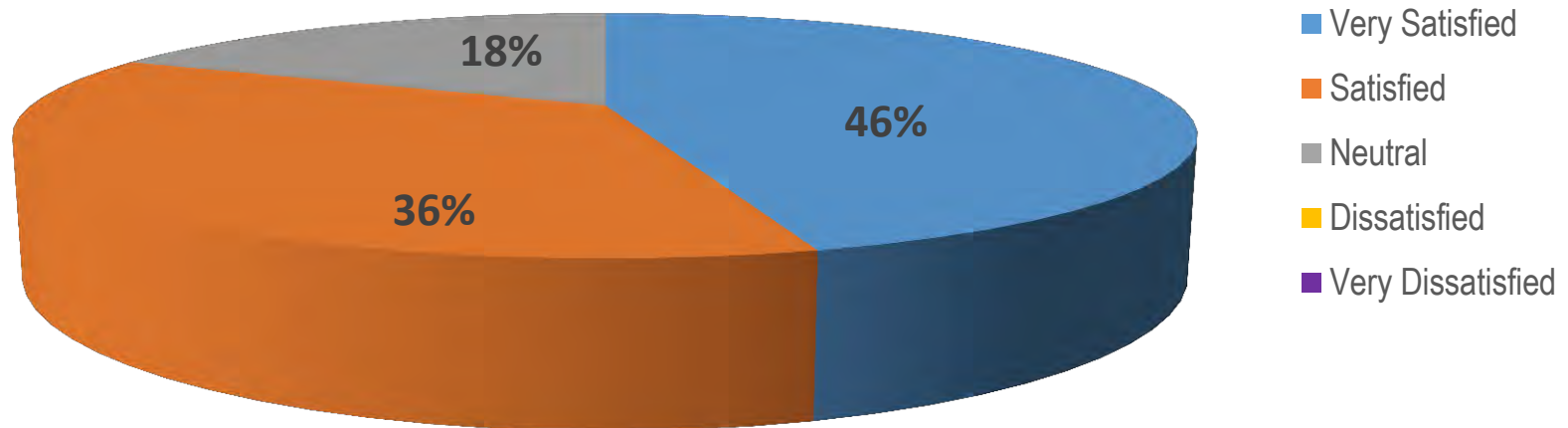
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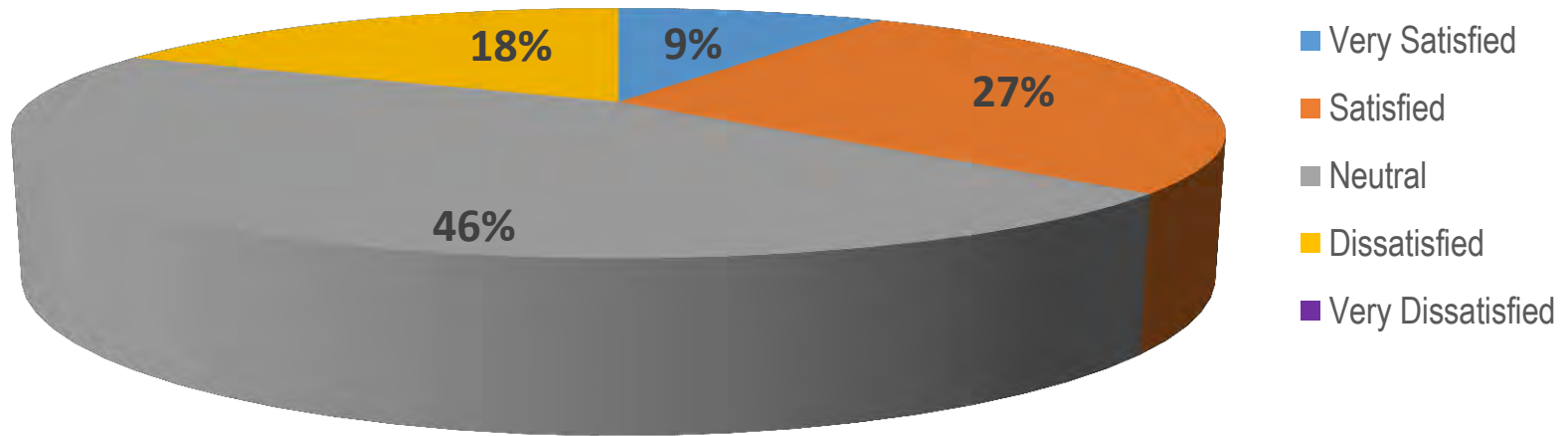
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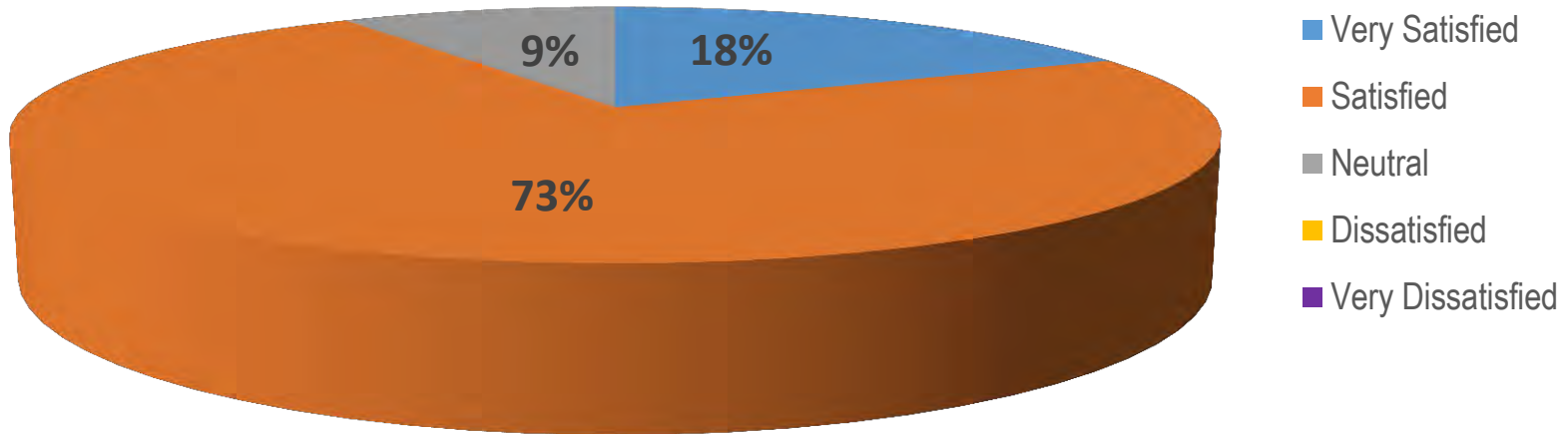
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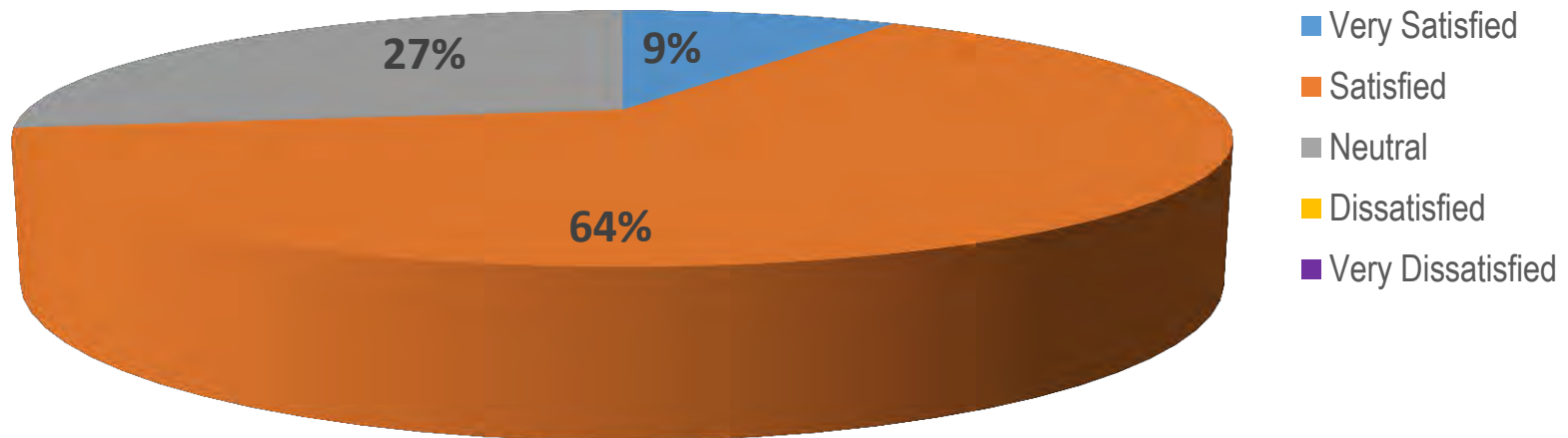
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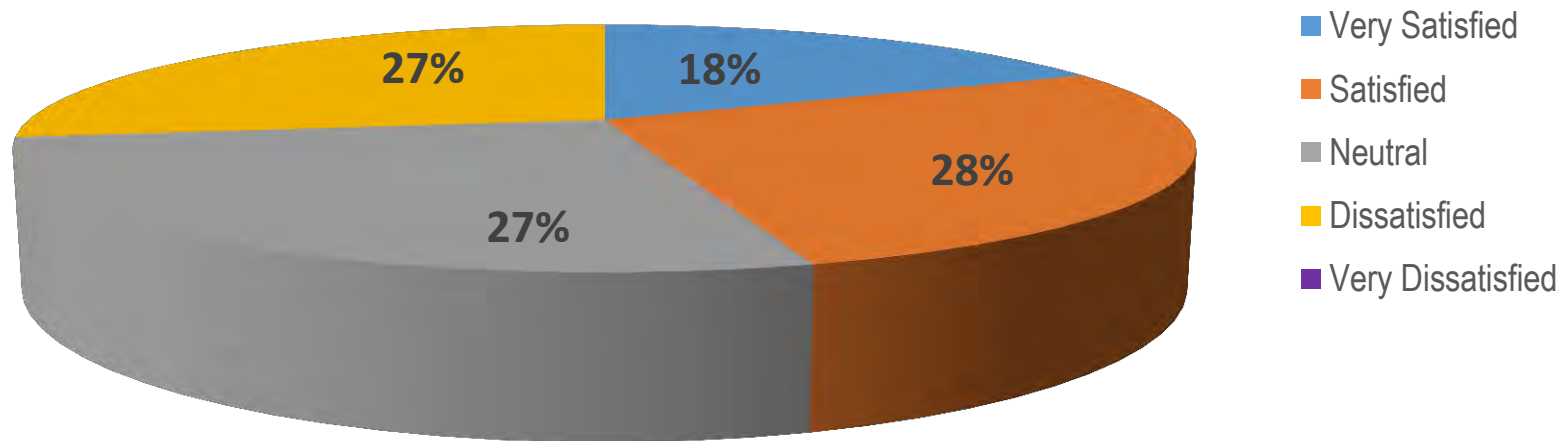


Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (General Investment & Responsible Contractor Program)

Key Area 2: Communications & Responsiveness

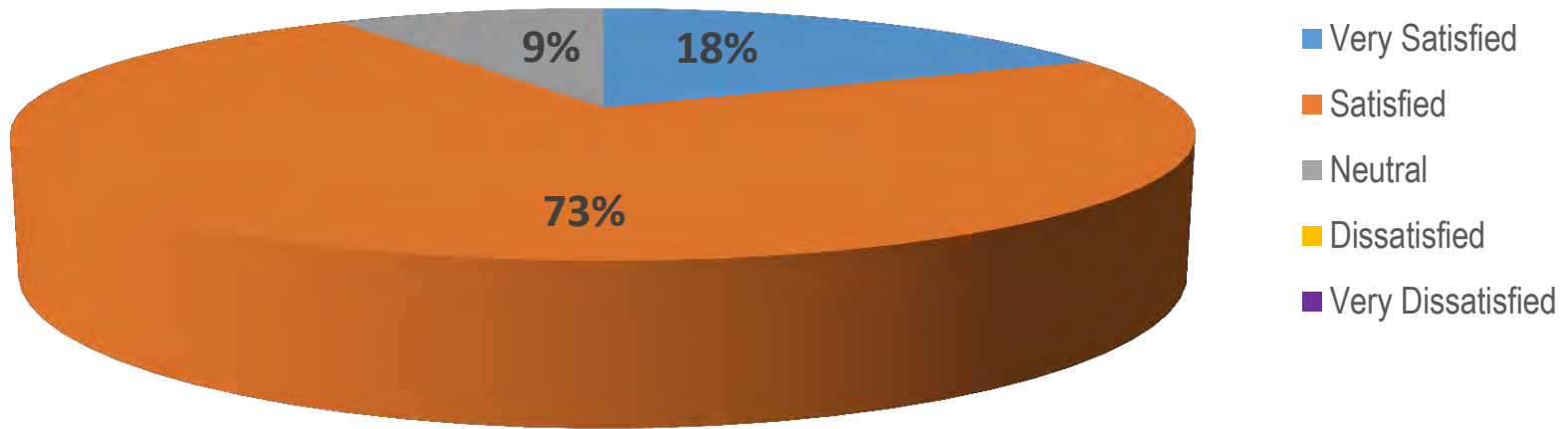
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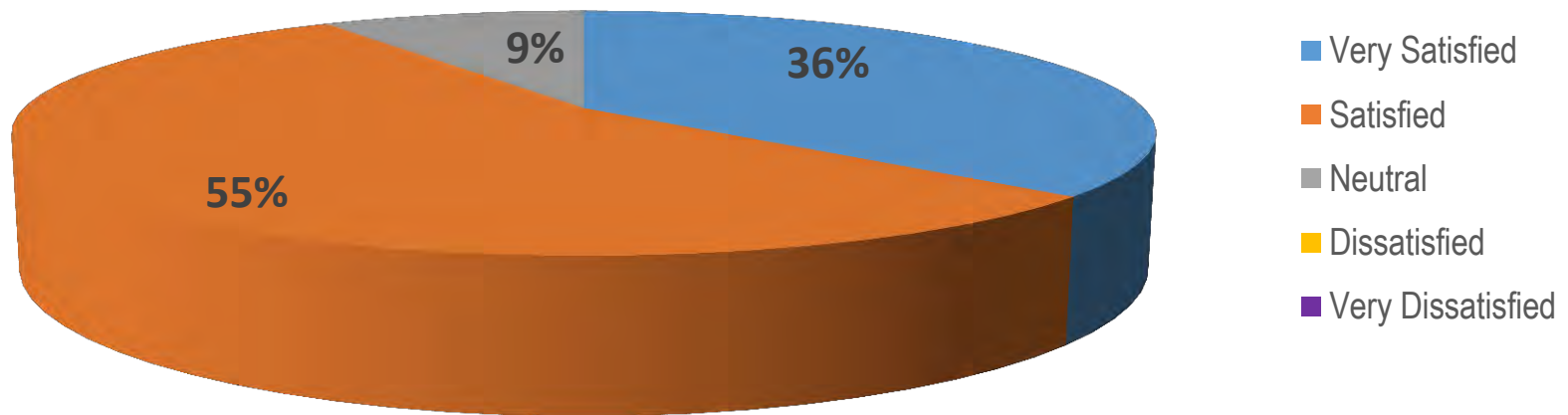
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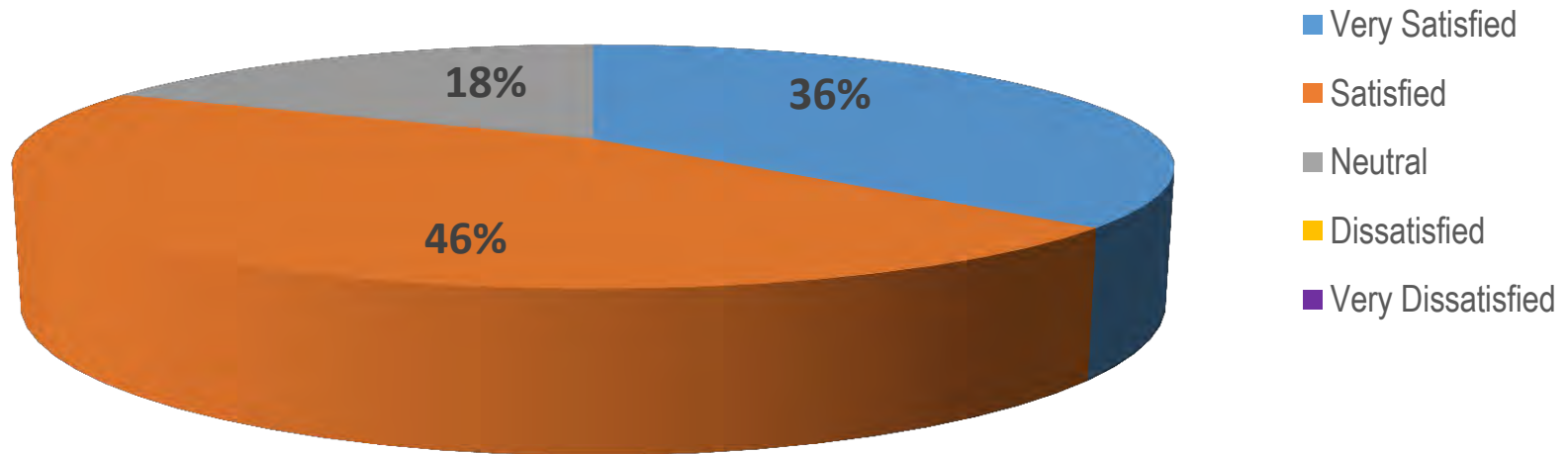
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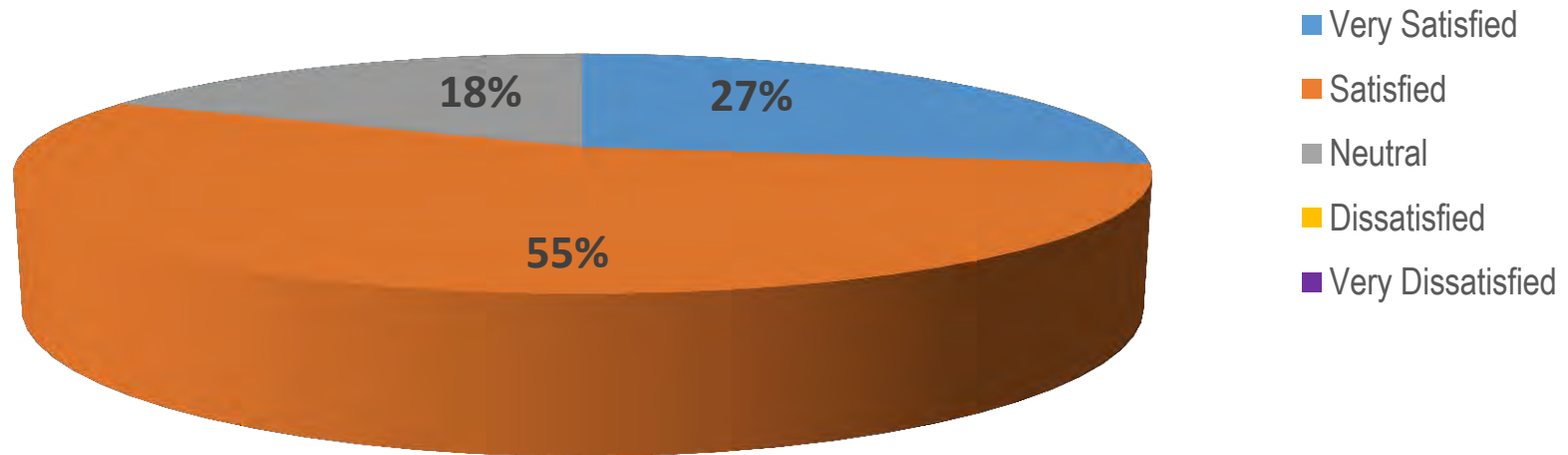
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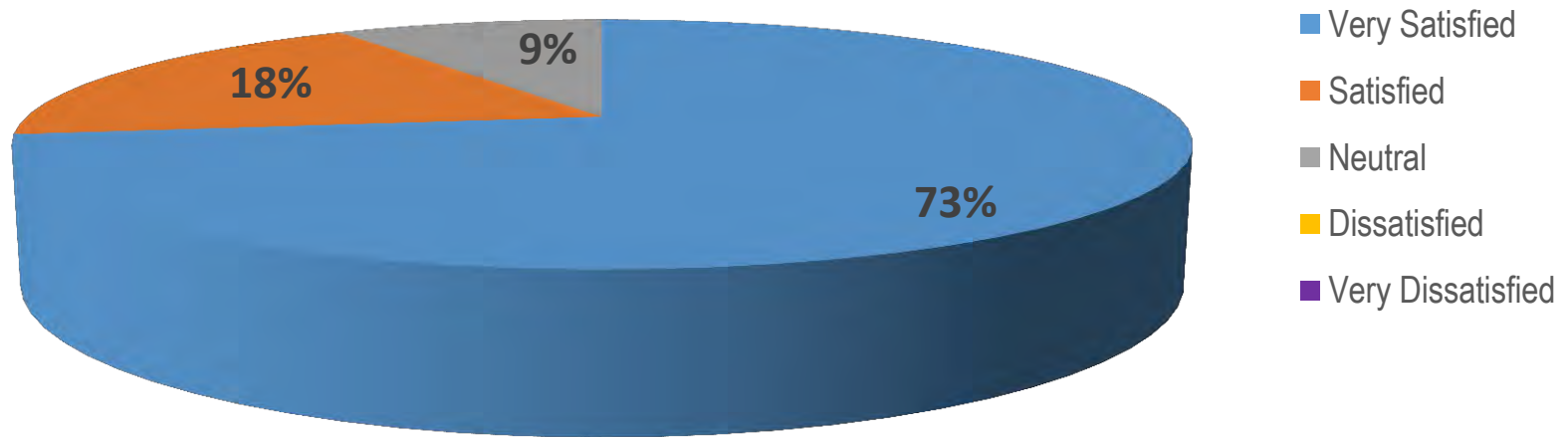


Board Consultant Review & Evaluation Report – Pension Consulting Alliance, Inc. (General Investment & Responsible Contractor Program)

Key Area 3: Overall Performance

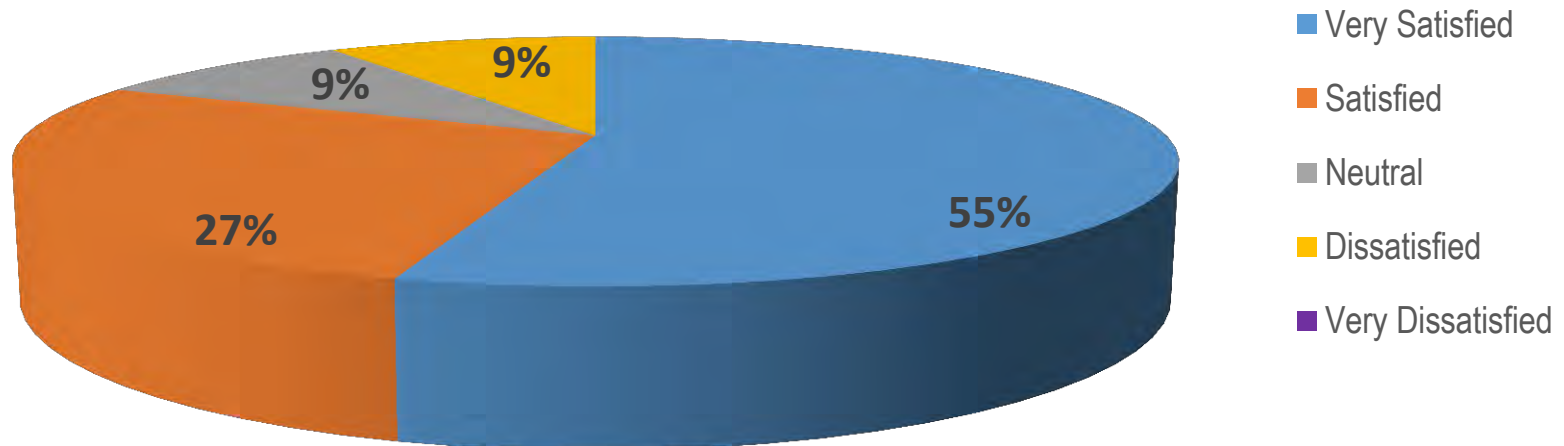
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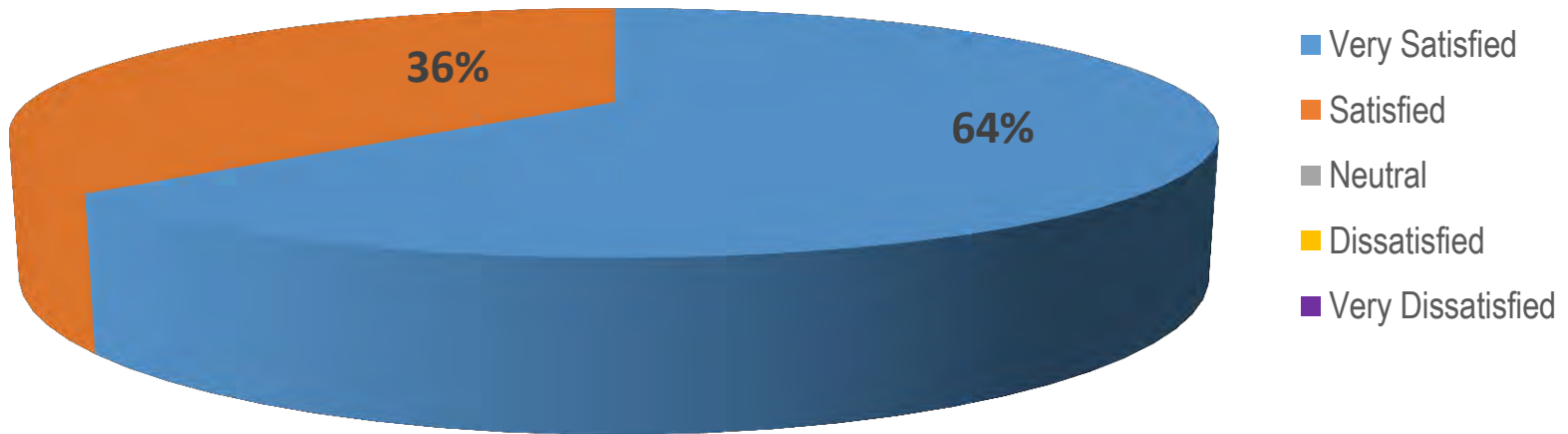
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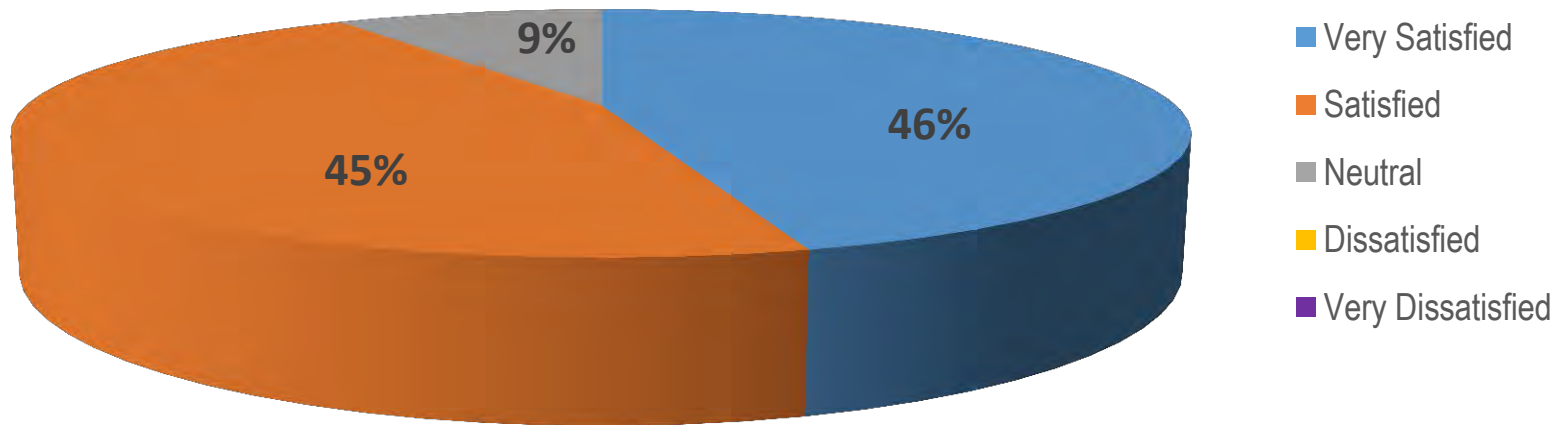
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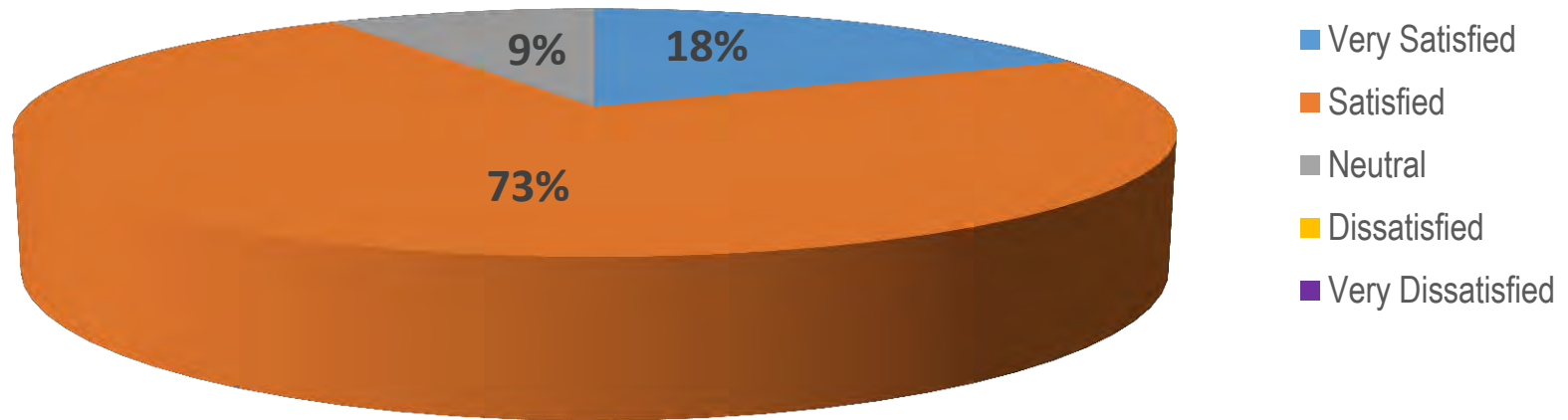
Overall Performance

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Overall Performance

Q15: Fulfills fiduciary responsibility



Overall Performance

Q16: Clearly understands it works for the Board and with CalPERS staff

