

# 2017–18 ENTERPRISE RISK MANAGEMENT PLAN

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## FUND SUSTAINABILITY

### OBJECTIVE (2017–22 Strategic Plan)

**Fund the System through an integrated view of pension assets and liabilities by leading facilitation of the asset liability management (ALM) process.**

#### Initiatives

- » Facilitate the Asset Liability Management Advisory Committee (ALMAC) to assist the Board in making decisions throughout the ALM cycle.
- » Conduct discussions with the Board to set Pension Funding Risk Appetite.



## RISK MANAGEMENT

### OBJECTIVE

**Mature enterprise internal control systems to provide Integrated Assurance Teams and Board with enhanced tools and heightened assurance.**

#### Initiatives

- » Pilot and evaluate the Operational Risk Event Framework.
- » Finalize Integrated Assurance maps aligned to the Enterprise Risks.

### OBJECTIVE

**Collaborate with the enterprise in the identification, assessment, and monitoring of risk within the Board's appetite.**

#### Initiatives

- » Complete the annual enterprise risk assessment cycle including enterprise risks, appetites, and tradeoffs to guide risk-intelligent decision-making.
- » Develop Key Risk Indicators in conjunction with Enterprise Key Performance Indicators.

### OBJECTIVE

**Incorporate standardized risk analysis to promote data-driven decision-making.**

#### Initiative

- » Complete State Leadership Accountability Act (SLAA) reporting.

### OBJECTIVE (2017–22 Strategic Plan)

**Enhance compliance and risk functions throughout the enterprise.**

#### Initiatives

- » Initiate Enterprise Risk Training Plan, including modules for CalPERS' new employees and Internal Controls for the Compliance and Risk Liaisons.
- » Establish baseline for the stakeholder assessment survey.
- » Establish baseline for the employee survey.
- » Create ERMD Communication Plan to inform CalPERS' team members on Enterprise Risk Management services, tools, and training.