



Investment Committee

Agenda Item 6d

February 19, 2019

Item Name: Monthly Update – Investment Compliance

Program: Total Fund

Item Type: Information Consent

Executive Summary

This item provides the Investment Committee (Committee) with information regarding exceptions and disclosures required by statute or CalPERS investment policies, as well as reports the Committee has requested be prepared on an ongoing basis.

Monthly Reporting Items – the following information is included by month in the attachment(s):

1. Items Completed Under Delegated Authority
2. Disclosure of Placement Agent Fees
3. Unsolicited Investment Proposal Activity
4. Policy Exceptions
5. Disclosure of Closed Session Action Items
6. Investment Transaction Summary

Quarterly Reporting Items:

For the quarter ended December 31, 2018, no material exceptions to the Disclosure of Placement Agent Fees, Gifts and Campaign Contributions regulation were identified.

For the quarter ended December 31, 2018, additional information is included on the following items:

- Investment Policy Administrative Changes
- Spring-Fed Pool Contract Status

In the event there are no items to report for any of the aforementioned quarterly items, a slip-sheet will be included with a statement to that effect.

Strategic Plan

This item does not directly support the CalPERS 2017-22 Strategic Plan.

Investment Beliefs

This item does not directly support CalPERS' Investment Beliefs.

Background

Each component of the item is required by California statute, CalPERS' statements of investment policy, or request of the Committee. Additional information for each of the recurring monthly items addressed in this agenda item are outlined below.

1. Items Completed Under Delegated Authority

This report includes decisions made under delegated authority to fund new investment strategies/managers or to provide additional funding to existing investment strategies/managers.

2. Disclosure of Placement Agent Fees

Pursuant to the California Code of Regulations Title 2 §559 (Disclosure of Placement Agent Fees, Gifts and Campaign Contributions), information regarding placement agent fees is compiled by staff each month. This report includes disclosures of fees for proposed new, as well as amendments to existing, investments.

3. Unsolicited Investment Proposal Activity

This report includes a summary of unsolicited investment proposals received by CalPERS for each of the investment programs.

4. Policy Exceptions

As required by CalPERS investment policies, staff reports all exceptions to the investment policies. This report includes explanations of any exceptions and the expected resolution.

5. Disclosure of Closed Session Action Items

Pursuant to California Government Code §20191.5(b), this report discloses investment actions taken by the Committee in closed session.

6. Investment Transaction Summary

Pursuant to the requirements of California Government Code §20191, this report includes a monthly summary of investment transactions.

Analysis

Not Applicable.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

Not Applicable.

Attachments

Attachment 1 – Monthly Update – Investment Compliance (Month Ended November 30, 2018)

Attachment 2 – Monthly Update – Investment Compliance (Month Ended December 31, 2018)

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