Item Name: Reporting on Participating Employers
Program: Pension Contract Management Services
Item Type: Information Consent

Executive Summary
This information item is presented as part of the quarterly update to the Committee regarding the status of participating employers. The presentation provides information on participating employers experiencing hardship, and contract terminations in process.

Strategic Plan
This agenda item supports Fund Sustainability and Risk Management Goals of the CalPERS 2017-2022 Strategic Plan, which aims to strengthen the long-term sustainability of the pension fund. Pension and health funding are considered a strategic risk to the organization, and proper management of employer contracts and collection of payments are critical to ensuring long-term sustainability.

Background
In December 2018, the FAC received information as part of the quarterly update to the Committee regarding the status of participating employers. The presentation provided demographic information, the status of active contracts with no active members, contract terminations in process and employers experiencing hardship.

Analysis
The attached participating employers’ quarterly report provides an update on status of contract terminations in process and employers experiencing hardship.

Budget and Fiscal Impacts
Not applicable
Benefits and Risks

Clearly defined processes for risk oversight, collections and contract terminations will provide the following benefits:

- Timely resolution of routine collections issues;
- Timely attention to and escalation of serious collections issues to CalPERS management;
- Improved long-term sustainability of the Pension Fund.

Potential risks could include:

- Misunderstanding of the Program and its purpose.

Attachments

Attachment 1 – Reporting on Participating Employers

Arnita Paige, Chief
Pension Contract and Prefunding Programs

Michael Cohen
Chief Financial Officer