

CalPERS

Monthly Update – Investment Controls

MONTH ENDED MAY 31, 2019

Items Completed Under Delegated Authority

Program Area		Name of Investment	Commitment (million)	Initial Commitment Date	Complies with Delegation Number	New or Additional Commitment
	Private Equity	Advent International GPE IX, L.P.	\$550.00	May-2019	INV-19-01	New Commitment

Disclosure of Placement Agent Fees

No items to report.

Unsolicited Investment Proposal Activity
 Proposal Status By Asset Class
 for the Month of May 2019

	Private Asset Classes				Public Asset Classes				
	Private Equity	Forestland	Infrastructure	Real Estate	Opportunistic	Global Equities	Commodities	Global Fixed Income	Total
Start of Month Proposals	11	1	12	4	1	3	0	0	32
New Proposals During the Month	10	0	4	3	1	3	0	1	22
Reinstated Proposal During Month	0	0	0	0	0	0	0	0	0
Decisions During the Month	7	0	4	3	2	6	0	0	22
End of Month Proposals	14	1	12	4	0	0	0	1	32

Status Details

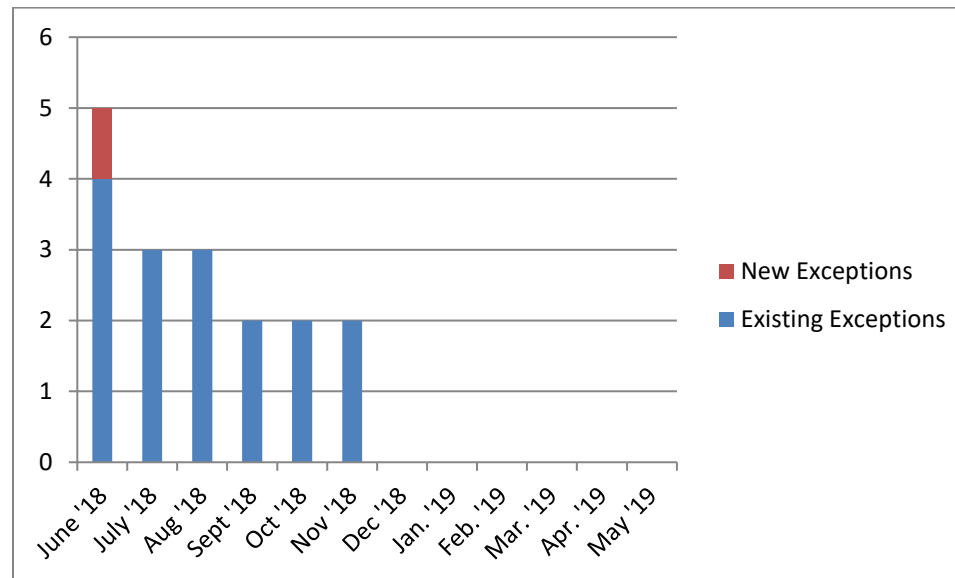
	Private Asset Classes				Public Asset Classes				
Status	Private Equity	Forestland	Infrastructure	Real Estate	Opportunistic	Global Equities	Commodities	Global Fixed Income	Total
Start of Month Proposals									
Submitted	0	1	2	0	0	0	0	0	3
Screening	6	0	7	3	1	3	0	0	20
Due Diligence	3	0	2	1	0	0	0	0	6
Approved	2	0	1	0	0	0	0	0	3
Subtotal	11	1	12	4	1	3	0	0	32
New Proposals During the Month									
Subtotal	10	0	4	3	1	3	0	1	22
Reinstated Proposals During Month									
Subtotal	0	0	0	0	0	0	0	0	0
Decisions During the Month									
Committed	1	0	0	0	0	0	0	0	1
Declined	3	0	4	2	0	0	0	0	9
Failed to Materialize	0	0	0	0	2	4	0	0	6
Referred	3	0	0	1	0	2	0	0	6
Subtotal	7	0	4	3	2	6	0	0	22
End of Month Proposals									
Submitted	1	1	2	2	0	0	0	1	7
Screening	8	0	7	1	0	0	0	0	16
Due Diligence	2	0	2	1	0	0	0	0	5
Approved	3	0	1	0	0	0	0	0	4
Subtotal	14	1	12	4	0	0	0	1	32

Policy Exceptions

Exceptions to Policy

According to policy requirements, the following is a summary of investment policy exceptions reported by the program areas. The following program areas had no exceptions to report:

- Global Equity
- Global Fixed Income
- Investment Manager Engagement Programs
- Investment Risk and Performance
- Investment Servicing Division
- Opportunistic Strategies
- Private Equity
- Real Assets
- Sustainable Investment Program
- Trust Level Portfolio Management



Policy Exceptions

New:

Program Area or Asset Class	Event Date	Resolution Date	Policy	Exception Description	Event Description and Resolution (expected) or Next Steps
No items to report					

Policy Exceptions

Existing:

Program Area or Asset Class	Event Date	Resolution Date	Policy	Exception Description	Event Description and Resolution (expected) or Next Steps
No items to report					

DISCLOSURE OF CLOSED SESSION ACTION ITEMS – FOR THE PERIOD ENDED MAY 31, 2019

Investment Committee Closed Session	Agenda Item	Investment Committee Action and Item Status	Vote																										
June 19, 2017	Item 4a: Capital Market Assumptions	<p><u>Action:</u> Adoption of the 2017 Capital Market Assumptions (CMAs). An electronic roll-call vote was taken in the June IC Meeting. The motion passed.</p> <p><u>Summary of Debate:</u> An extensive discussion was conducted on forecasting CMAs for applicability to the related benchmarks.</p> <p><u>Rationale for Nondisclosure:</u> Disclosure at this time would impair the System’s investment and asset allocation transition management objectives.</p> <p><u>Anticipated Disclosure Date:</u> Upon completion of INVO’s implementation of the Board’s approved strategic asset allocation targets which is expected to extend through Fiscal Year 2018-19 or later.</p>	<p>Roll call vote results are listed below:</p> <table><tr><th>Committee Member</th><th>Vote</th></tr><tr><td>Name/Designee Name</td><td>Yes, Abstain, No</td></tr><tr><td>Michael Bilbrey</td><td>YES</td></tr><tr><td>Rob Feckner</td><td>YES</td></tr><tr><td>Richard Gillihan</td><td>YES</td></tr><tr><td>Dana Hollinger</td><td>NO</td></tr><tr><td>JJ Jelincic</td><td>NO</td></tr><tr><td>Ron Lind</td><td>YES</td></tr><tr><td>Lynn Paquin</td><td>YES</td></tr><tr><td>Priya Mathur</td><td>YES</td></tr><tr><td>Frank Moore</td><td>YES</td></tr><tr><td>Theresa Taylor</td><td>YES</td></tr><tr><td>Bill Slaton</td><td>YES</td></tr></table>	Committee Member	Vote	Name/Designee Name	Yes, Abstain, No	Michael Bilbrey	YES	Rob Feckner	YES	Richard Gillihan	YES	Dana Hollinger	NO	JJ Jelincic	NO	Ron Lind	YES	Lynn Paquin	YES	Priya Mathur	YES	Frank Moore	YES	Theresa Taylor	YES	Bill Slaton	YES
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DISCLOSURE OF CLOSED SESSION ACTION ITEMS – FOR THE PERIOD ENDED MAY 31, 2019

Investment Committee Closed Session	Agenda Item	Investment Committee Action and Item Status	Vote																										
March 19, 2018	Item 4a: Strategic Asset Allocation – Implementation	<p><u>Action:</u> Adoption of the interim Strategic Asset Allocation (SAA) targets beginning March 31, 2018, and adoption of a transition framework for shifting the SAA benchmark to the new target allocation. An electronic roll-call vote was taken in the March IC Closed Session Meeting. The motion passed.</p> <p><u>Summary of Debate:</u> An extensive discussion was conducted on the recommended interim targets and related benchmarking.</p>	<p>Roll call vote results are listed below:</p> <table><tr><th>Committee Member</th><th>Vote</th></tr><tr><td>Name/Designee Name</td><td>Yes, Abstain, No</td></tr><tr><td>Danny Brown</td><td>YES</td></tr><tr><td>Margaret Brown</td><td>YES</td></tr><tr><td>Richard Costigan</td><td>YES</td></tr><tr><td>Dana Hollinger</td><td>YES</td></tr><tr><td>Priya Mathur</td><td>YES</td></tr><tr><td>David Miller</td><td>YES</td></tr><tr><td>Frank Moore</td><td>YES</td></tr><tr><td>Lynn Paquin</td><td>YES</td></tr><tr><td>Ramon Rubalcava</td><td>YES</td></tr><tr><td>Bill Slaton</td><td>YES</td></tr><tr><td>Theresa Taylor</td><td>YES</td></tr></table>	Committee Member	Vote	Name/Designee Name	Yes, Abstain, No	Danny Brown	YES	Margaret Brown	YES	Richard Costigan	YES	Dana Hollinger	YES	Priya Mathur	YES	David Miller	YES	Frank Moore	YES	Lynn Paquin	YES	Ramon Rubalcava	YES	Bill Slaton	YES	Theresa Taylor	YES
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DISCLOSURE OF CLOSED SESSION ACTION ITEMS – FOR THE PERIOD ENDED MAY 31, 2019

Investment Committee Closed Session	Agenda Item	Investment Committee Action and Item Status	Vote																												
May 14, 2018	Item 4a: Strategic Asset Allocation – Ranges	<p><u>Action:</u> Adoption of the proposed asset ranges. An electronic roll-call vote was taken. The motion passed.</p> <p><u>Summary of Debate:</u> An extensive discussion was conducted on maintenance of the existing range structure for the asset classes and using a high-level asset class structure for public reporting to not impair the System’s investment and asset allocation transition management objectives.</p>	<p>Roll call vote results are listed below:</p> <table><tr><th>Committee Member</th><th>Vote</th></tr><tr><td>Name/Designee Name</td><td>Yes, Abstain, No</td></tr><tr><td>Danny Brown</td><td>YES</td></tr><tr><td>Margaret Brown</td><td>YES</td></tr><tr><td>Richard Costigan</td><td>YES</td></tr><tr><td>Rob Feckner</td><td>YES</td></tr><tr><td>Dana Hollinger</td><td>YES</td></tr><tr><td>Steve Juarez</td><td>YES</td></tr><tr><td>Priya Mathur</td><td>YES</td></tr><tr><td>David Miller</td><td>YES</td></tr><tr><td>Ramon Rubalcava</td><td>YES</td></tr><tr><td>Bill Slaton</td><td>YES</td></tr><tr><td>Theresa Taylor</td><td>YES</td></tr><tr><td>Betty Yee</td><td>YES</td></tr></table>	Committee Member	Vote	Name/Designee Name	Yes, Abstain, No	Danny Brown	YES	Margaret Brown	YES	Richard Costigan	YES	Rob Feckner	YES	Dana Hollinger	YES	Steve Juarez	YES	Priya Mathur	YES	David Miller	YES	Ramon Rubalcava	YES	Bill Slaton	YES	Theresa Taylor	YES	Betty Yee	YES
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May-19						
	Public Equity (\$)	Income (\$)	Total Fund - Public Markets			
			Inflation (\$)	ARS (\$)	Liquidity (\$)	TLPM (\$)
Beginning Market Value	185,127,560,345.80	102,801,293,835.58	(186,416.41)	188,509,308.44	5,091,035,191.99	3,906,789,843.11
+ Purchases	9,559,502,986.53	12,667,333,404.23	65,163,102.87	-	1,411,190,500.59	2,244,379,419.53
- Sales	(13,043,734,766.34)	(17,431,675,075.35)	(65,160,556.70)	(5,012,804.52)	(2,082,308,206.01)	(2,271,808,545.22)
+ Unitized Fund Purchases	-	-	-	-	-	-
- Unitized Fund Sales	-	-	-	-	-	-
+/- Other Changes in MV	(4,984,870,330.96)	7,245,130,883.36	83,257.49	162,407.26	(98,537,885.41)	(41,516,828.93)
Ending Market Value	176,658,458,235.03	105,282,083,047.83	(100,612.76)	183,658,911.18	4,321,379,601.16	3,837,843,888.48

Total Fund - Private Markets				
	Private Equity (\$)	Real Estate (\$)	Forestland (\$)	Infrastructure (\$)
Beginning Market Value	26,215,428,896.34	33,938,723,316.93	1,335,489,064.32	4,704,271,587.85
+ Contributions	419,893,054.21	253,896,839.00	-	5,543,561.00
- Distributions	(902,510,259.43)	(206,018,335.00)	-	(19,890,028.00)
+ Unitized Fund Purchases	-	-	-	-
- Unitized Fund Sales	-	-	-	-
+/- Other Changes in MV	993,150,970.05	265,127,527.90	10,376,807.58	49,391,442.81
Ending Market Value	26,725,962,661.18	34,251,729,348.82	1,345,865,871.90	4,739,316,563.66

Note: Numbers will not tie exactly to the Asset Allocation/Performance categories due to classification differences.

	Total Public Markets (\$)	Total Private Markets (\$)	Total Fund (\$)
Beginning Market Value	297,115,002,108.50	66,193,912,865.45	363,308,914,973.95
+ Contributions	25,947,569,413.75	679,333,454.21	26,626,902,867.96
- Distributions	(34,899,699,954.14)	(1,128,418,622.43)	(36,028,118,576.57)
+ Unitized Fund Purchases	-	-	-
- Unitized Fund Sales	-	-	-
+/- Other Changes in MV	2,120,451,502.81	1,318,046,748.35	3,438,498,251.16
Ending Market Value	290,283,323,070.92	67,062,874,445.57	357,346,197,516.49

Note: Numbers will not tie exactly to the Asset Allocation/Performance categories due to classification differences.