











ENTERPRISE RISK MANAGEMENT DASHBOARD

RISK CATEGORY / RISK STATEMENT		16/17	17/18	18/19	19/20	RISK ↑/↓	Comments
High Impact High Probability	 INFORMATION SECURITY DEO, OPT Finance & Administration Committee Failure to protect and secure information assets.					↓	Slight decrease in the probability risk score due to the implementation of enhanced security measures.
	 PENSION FUNDING CFO, Chief Actuary, CIO Finance & Administration Committee, Investment Committee Failure to meet pension benefit obligations.					↑	Increase in probability risk score due to investment return volatility concerns and contribution affordability.
High Impact Low Probability	 HEALTH CARE ADMINISTRATION DEO, HPBB Pension & Health Benefits Committee Inability to offer high quality, accessible, affordable, and sustainable health care at a competitive price.					↑	Increase in probability risk score due to concerns that health care costs may be rising and general uncertainty.
	 STAKEHOLDER CONFIDENCE DEO, CSR Finance & Administration Committee Inability to maintain stakeholder confidence in CalPERS as a trusted fiduciary.					↔	No change in risk score.
	 GOVERNANCE & CONTROL ENVIRONMENT CCO, CFO Risk & Audit Committee Lack of a strong internal control environment, which includes documentation and testing, could result in increased non-compliance and litigation risk, operational risks due to inefficiency and improper activity, loss of authority or reputation, and/or incurred penalties.					↓	Decrease in probability risk score due to improved documentation and testing capabilities.
	 TALENT MANAGEMENT DEO, OPT Performance, Compensation, & Talent Management Committee Inability to recruit and retain a diverse and qualified workforce compromises the ability to meet business objectives.					↓	Decrease in probability risk score due to filling key leadership positions and implementation of the 2018–22 Workforce Plan.
	 BUSINESS CONTINUITY DEO, OPT Finance & Administration Committee Inability to recover timely and resume business functions following a business interruption event.					↓	Decrease in probability risk score due to the continuing maturity of the program that includes successful testing of post disaster recovery efforts completed in December 2018.
	 BENEFIT ADMINISTRATION DEO, CSS Pension & Health Benefits Committee CalPERS members, retirees, and beneficiaries may not receive timely and/or accurate benefits.					↑	The organization determined that the potential impact of this risk is higher than previously stated. The overall impact has increased to level set and represent the criticality of this function to the organization's mission.