



Risk and Audit Committee

Agenda Item 7a

February 18, 2020

Item Name: Review of the Risk and Audit Committee Delegation

Program: Enterprise Compliance

Item Type: Action

Recommendation

Approve the proposed amendments to the Risk and Audit Committee Delegation Resolution (RAC Delegation) as part of the annual Board Committee Delegation review process.

Executive Summary

Each Board Committee annually reviews and revises the Delegation Resolution as necessary. This year, the CalPERS team proposes revisions to the RAC Delegation to align with Workstream 3 Board direction, the Chief Executive Officer Delegation Resolution and minor administrative and grammatical edits.

Strategic Plan

This item supports the Reduce Complexity and Risk Management Strategic Goal from the CalPERS 2017-2022 Strategic Plan (Strategic Plan), which aims to reduce complexity across the enterprise by streamlining operations and cultivate a risk-intelligent organization.

Background

In accordance with the Board Governance Policy, each Committee's delegation is reviewed annually and updated as needed. This presents each Committee with the opportunity to review and update the authorities delegated to the Committee by the full Board, enhancing the overall governance of the Board. In addition, the Board approved Workstream 3, which directed the CalPERS team to revise Board policies and governing documents using language that is clear and concise.

Analysis

The CalPERS team has reviewed the Delegation Resolution for the Risk and Audit Committee and recommends updating it to include language that is clear and concise to support direction received in Workstream 3.

Any revisions to the Delegation Resolution that the Committee wishes to make will be incorporated and brought back for Board consideration and approval at a subsequent meeting.

Benefits and Risks

The benefit of reviewing and updating the delegation of authority for the Risk and Audit Committee is to continually align the Committee's authority with the needs of our members while keeping CalPERS' commitment to its strategic goals and objectives.

Attachments

Attachment 1 – Current Risk and Audit Committee Delegation Resolution

Attachment 2 – Red-Lined Version of the Current Risk and Audit Committee Delegation Resolution

Attachment 3 – New Proposed Risk and Audit Committee Delegation Resolution

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