



CalPERS

Total Fund Monthly Update – Investment Compliance



MONTH ENDING DECEMBER 31, 2013



CalPERS Total Fund Monthly Update - Investment Compliance

As of December 31, 2013

Items Completed Under Delegated Authority

Disclosure of Placement Agent Fees

Investment Proposal Activity Summary

Policy Violations

Disclosure of Closed Session Action Items

Spring-Fed Pool Contract Status

Investment Policy Administrative Changes

Items Completed Under Delegated Authority *(for the month ended December 31, 2013)*

| Program Area | Name of Investment | Commitment | Initial Funding Date of Partnership | Complies with Delegation Number |
|----------------------------|-----------------------|---------------|-------------------------------------|---------------------------------|
| Absolute Return Strategies | Kylin Eureka Fund | \$130 million | Dec-13 | 11-03-INV |
| Absolute Return Strategies | Northwest Eureka Fund | \$80 million | Dec-13 | 11-03-INV |
| Private Equity | Trident VI, L.P. | \$250 million | Dec-13 | 07-02-INV II (B) 2 |

Disclosure of Placement Agent Fees *(for the month ended December 31, 2013)*

| | |
|---|---|
| Firm Name | Permira V GP Limited |
| Asset Class | Private Equity |
| Fund | Permira V Fund |
| Period | December 2013 |
| Placement Agents and Firm | Phillip Bassett, Partner, and Chris Davison, Principal, of Permira V G.P. |
| Registered with SEC/FINRA | Yes |
| Registered Lobbyists | Yes |
| Estimated Placement Agent Compensation | The disclosed Placement Agents are involved in marketing Permira private equity and debt funds to institutional investors. Their compensation is based on their, and Permira's, overall performance. An estimate of dollar compensation allocation to CalPERS investment would be approximately US \$1,000 to US \$5,000 for each of the two lobbyists. |
| Transaction Type | New |

Investment Proposal Activity Summary (for the month ended December 31, 2013)

| | Private Equity | Forestland | Infrastructure | Real Estate | ARS | Global Equities | Commodities | Global Fixed Income | Total |
|----------------------------------|----------------|------------|----------------|-------------|-----|-----------------|-------------|---------------------|-------|
| Start of Month Proposals | 27 | 2 | 28 | 15 | 13 | 0 | 0 | 4 | 89 |
| New Proposal During the Month | 11 | 0 | 3 | 2 | 0 | 3 | 1 | 1 | 21 |
| Reinstated Proposal During Month | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Decisions During the Month | 16 | 0 | 1 | 1 | 2 | 2 | 0 | 3 | 25 |
| End of Month Proposals | 23 | 2 | 30 | 16 | 11 | 1 | 1 | 2 | 86 |

Status Details

| | | Private Asset Classes | | | | Public Asset Classes | | | | |
|--|--|-----------------------|------------|----------------|-------------|----------------------|-----------------|-------------|---------------------|-----------|
| Status | | Private Equity | Forestland | Infrastructure | Real Estate | ARS | Global Equities | Commodities | Global Fixed Income | Total |
| Start of Month Proposals | | | | | | | | | | |
| Submitted | | 1 | 0 | 0 | 6 | 3 | 0 | 0 | 1 | 11 |
| Screening | | 20 | 2 | 28 | 9 | 5 | 0 | 0 | 3 | 67 |
| Due Diligence | | 5 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 10 |
| Approved | | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Subtotal | | 27 | 2 | 28 | 15 | 13 | 0 | 0 | 4 | 89 |
| New Proposals During the Month | | | | | | | | | | |
| Subtotal | | 11 | 0 | 3 | 2 | 0 | 3 | 1 | 1 | 21 |
| Reinstated Proposals During Month | | | | | | | | | | |
| Subtotal | | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Decisions During the Month | | | | | | | | | | |
| Committed | | 2 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 5 |
| Declined | | 14 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 17 |
| Failed to Materialize | | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Referred | | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 |
| Subtotal | | 16 | 0 | 1 | 1 | 2 | 2 | 0 | 3 | 25 |
| End of Month Proposals | | | | | | | | | | |
| Submitted | | 0 | 0 | 0 | 2 | 0 | 0 | 1 | 0 | 3 |
| Screening | | 20 | 2 | 29 | 14 | 8 | 1 | 0 | 2 | 76 |
| Due Diligence | | 1 | 0 | 1 | 0 | 3 | 0 | 0 | 0 | 5 |
| Approved | | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Subtotal | | 23 | 2 | 30 | 16 | 11 | 1 | 1 | 2 | 86 |

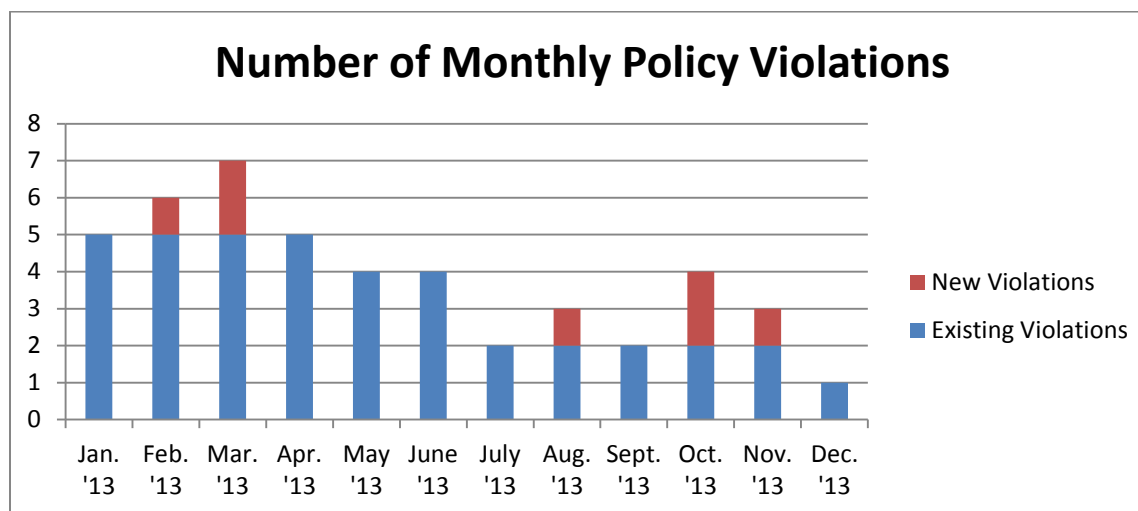
Policy Violations *(for the month ended December 31, 2013)*

Material Exceptions to Policy

According to policy requirements, the following is a summary of investment policy violations as reported by the program areas.

The following program areas had no violations to report for the month:

- Global Equity
- Private Equity
- Real Assets
- Absolute Return Strategies
- Global Governance
- Asset Allocation
- Risk Management
- Investment Servicing



Policy Violations *(for the month ended December 31, 2013)***New:**

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

Existing:

| Program Area or Asset Class | Event Date | Resolution Date | Policy Violated | Violation Description | Event Description and Resolution (expected) or Next Steps |
|-----------------------------|------------|------------------|--|--|--|
| Fixed Income (Sec Lending) | 12/21/2007 | Not Yet Resolved | Statement of Investment Policy for Securities Lending. | "Ironside Holdings (SIV)" was downgraded and no longer meets rating standards specified by the policy. | This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date. Per the Policy, the Global Fixed Income Senior Investment Officer (SIO) has the authority to maintain this position in the best interest of the Public Employees' Retirement Fund (PERF). The Global Fixed Income SIO believes the current pricing of the restructured Structured Investment Vehicle is undervalued and recommends holding the security. |
| Fixed Income (Sec Lending) | 8/29/2007 | 12/20/2013 | Statement of Investment Policy for Securities Lending. | "Gryphon (SIV)" was downgraded and no longer meets rating standards specified by the policy. | The security was sold and the trade was settled on 12/20. |

Disclosure of Closed Session Action Items *(for the month ended December 31, 2013)*

| Investment Committee Meeting | | | |
|------------------------------|--------------------|-----------------------------|------|
| | Agenda Item | Investment Committee Action | Vote |
| | No items to report | | |

Spring-Fed Pool Contract Status Quarterly Report (for the quarter ended December 31, 2013)

The report details Letter of Engagement (LOE) commitments, by the Investment Office, for spring-fed pool contractors. Actual expenditures against these commitments may be less, but never greater than this amount, unless agreed upon by CalPERS through an amended LOE.

| Quarter | Program | Pool Name | Consultant | Start Date | End Date | LOE Title/Description | LOE Amount | LOE Balance, as of January 10, 2014 | Selection Reason | |
|--|-------------------|---|---|------------|----------|---|---|-------------------------------------|---|--|
| Q1 | ISD | General Pension Consulting Services Spring-Fed Pool | Cutter Associates (2009-5104) | 07/01/13 | 08/30/14 | INVO Roadmap and Target Operating Model Implementation & Private Equity Portfolio Management Solution | \$ 410,220 | \$ 193,715 | Existing knowledge of the investment or organization | |
| Q2 | | | | 09/05/13 | 01/10/14 | INVO IT Strategy Refresh and INVO Technology Roadmap Development & INVO ITSB MOU Update | \$ 89,600 \$ 26,880 | \$ 23,800 | Existing knowledge of the investment or organization | |
| Subtotal | | | | | | | \$ 526,700 | \$ 217,515 | | |
| Q1 | INVO | General Pension Consulting Services Spring-Fed Pool | Pension Consulting Alliance (2009-5105) | 07/01/12 | 09/30/13 | Back-Up to the Primary Pension Board Investment Consultant Services | \$ 37,500 | \$ 18,750 | Existing knowledge of the investment or organization | |
| Q2 | | | | TIPS | 10/01/13 | 06/30/13 | Back-Up to the Primary Pension Board Investment Consultant Services | \$ 112,500 | \$ 78,750 | Existing knowledge of the investment or organization |
| | | | | | 12/01/13 | 06/30/14 | Emerging Manager Communications Plan | \$ 75,000 | \$ 66,900 | Existing knowledge of the investment or organization |
| | | | | | 12/01/13 | 06/30/14 | Private Equity Emerging Manager Review - Special Project | \$ 285,000 | \$ 285,000 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 510,000 | \$ 449,400 | | |
| Q1 | TIPS | General Pension Consulting Services Spring-Fed Pool | Callan Associates, Inc. (Contract #2009-5108) | 09/15/13 | 06/30/14 | CalPERS EM 5-Year Plan Portfolio Management Initiatives: Emerging Manager Work Streams 1 | \$ 275,000 | \$ 150,000 | Existing knowledge of the investment or organization | |
| Subtotal | | | | | | | \$ 275,000 | \$ 150,000 | | |
| Q1 | TIPS | General Pension Consulting Services Spring-Fed Pool | Pacific Community Ventures (Contract #2009-5116) | 07/15/13 | 06/30/14 | CalPERS for California Report | \$ 355,000 | \$ 89,800 | Existing knowledge of the investment or organization | |
| Subtotal | | | | | | | \$ 355,000 | \$ 89,800 | | |
| Total General Pension SFP Committed Amount | | | | | | | \$1,666,700 | | | |
| Q1 | ARS | Global Equity General Consultant Spring-Fed Pool | Drobny (2010-5961) | 07/15/13 | 07/14/14 | ARS Reporting and Advisory Services FY13-14 | \$ 120,000 | \$ 30,000 | Extensive knowledge of the Global Macro Hedge Fund Industry | |
| Subtotal | | | | | | | \$ 120,000 | \$ 30,000 | | |
| Q1 | Global Governance | Global Equity General Consultant Spring-Fed Pool | GMI (Contract # 2010-5959) | 09/06/13 | 09/30/13 | Voting Calculation Methodology-Russell 1000 and S&P500 Indices | \$ 10,000 | \$ - | Best value (determined through bid request proposals) | |
| Q2 | Global Governance | | | 10/02/13 | 11/15/13 | Governance Trends Report 2013 | \$ 64,000 | \$ - | Only pool contractor with the expertise to perform the work | |
| Subtotal | | | | | | | \$ 74,000 | \$ - | | |
| Q2 | ARS | Global Equity General Consultant Spring-Fed Pool | Mosaic (2010-5945) | 10/31/13 | 10/13/14 | Absolute Return Strategies (ARS) Services | \$ 150,000 | \$ 150,000 | Existing knowledge of the investment or organization | |
| Subtotal | | | | | | | \$ 150,000 | \$ 150,000 | | |
| Q2 | ARS | Global Equity General Consultant Spring-Fed Pool | PAAMCO (2010-5947) | 11/01/13 | 10/31/13 | ARS Fund Administration | \$ 250,000 | \$ 208,333 | Existing knowledge of the investment or organization | |
| Subtotal | | | | | | | \$ 250,000 | \$ 208,333 | | |
| Q2 | ARS | Global Equity General Consultant Spring-Fed Pool | UBS Alternative & Quantitative Investments, LLC (2010-5943) | 11/07/13 | 10/31/14 | ARS Advisory Services | \$ 3,000,000 | \$ 3,000,000 | Existing knowledge of the investment or organization | |
| Subtotal | | | | | | | \$3,000,000 | \$3,000,000 | | |
| Total Global Equity SFP Committed Amount | | | | | | | \$3,594,000 | | | |

Spring-Fed Pool Contract Status Quarterly Report (for the quarter ended December 31, 2013)

| Quarter | Program | Pool Name | Consultant | Start Date | End Date | LOE Title/Description | LOE Amount | LOE Balance, as of January 10, 2014 | Selection Reason |
|--|-----------------------------|---|--|------------|----------|---|---------------------|-------------------------------------|--|
| Q1 | Infrastructure & Forestland | Inflation Linked Asset Class Consultant Spring-Fed Pool | Courtland Partners, Ltd. (Contract 2008-4929) | 07/22/13 | 08/15/13 | Project Piano: Part 2 - Prudent Person Opinion | \$ 5,000 | \$ 5,000 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 5,000 | \$ 5,000 | |
| Total ILAC SFP Committed Amount | | | | | | | \$5,000 | | |
| Q2 | PE | Private Equity Spring-Fed Pool | Cambridge Associates LLC (Contract #2011-6237) | 10/02/13 | 06/30/14 | 2013 Private Equity Emerging Manager Task Force Special Project | \$ 400,000 | \$ 200,000 | Only vendor with experience on prior project |
| | | | Cambridge Associates LLC (Contract #2011-6237) | 12/13/13 | 05/31/14 | 2013 Private Equity: Dispersion of Return, Volatility, and Correlation over Time Special Project | \$ 75,000 | \$ 75,000 | Only vendor with experience on prior project |
| Subtotal | | | | | | | \$ 475,000 | \$ 275,000 | |
| Q1 | PE | Private Equity Spring-Fed Pool | FTI Consulting (Contract #2011-6094) | 08/09/13 | 12/07/13 | Second Review of California Emerging Ventures (CEV) Funds I-IV (Special Project) | \$ 176,000 | \$ 176,000 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 176,000 | \$ 176,000 | |
| Q2 | Global Equity | Stand Alone | KPMG (Contract No. 2012-6708) | 11/09/13 | 01/13/14 | Valuation Assistance with Partnership Interests in the GE Portfolio | \$ 137,500 | \$ 137,500 | Only contractor with the expertise to perform the work |
| Subtotal | | | | | | | \$ 137,500 | \$ 137,500 | |
| Q2 | PE | Private Equity Spring-Fed Pool | Strategic Investment Solutions, Inc. (Contract #2011-6098) | 10/18/13 | 12/13/13 | Due Diligence - Blackstone Tactical Opportunities Fund, L.P. | \$ 25,000 | \$ - | Selected through Bid Process |
| Subtotal | | | | | | | \$ 25,000 | \$ - | |
| Total Private Equity SFP Committed Amount | | | | | | | \$813,500 | | |
| Q1 | PE | Private Equity Spring-Fed Pool | UBS Securities (Contract #2011-6091) | 09/13/13 | 06/30/14 | Purchase and Sale of Private Equity Portfolio Limited Partnership Interests - Secondary Sale | \$ 5,000,000 | \$ 5,000,000 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 5,000,000 | \$ 5,000,000 | |
| Total Private Equity SFP Committed Amount - Secondary Sale Costs Paid from Proceeds | | | | | | | \$5,000,000 | | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Bard Consulting (Contract #2010-5565) | 07/01/13 | 06/30/14 | Incentive Fee Analysis & Modeling for New Partnerships | \$ 150,000 | \$ 103,250 | Existing knowledge of the investment or organization |
| | | | | 07/01/13 | 06/30/14 | Due Diligence/ Annual Investment Plans/ Portfolio Monitoring/ Modeling and Incentive Fee Analysis/ and Incentive Fee Payable Review | \$ 445,500 | \$ 284,044 | Existing knowledge of the investment or organization |
| | | | | 07/01/13 | 06/30/14 | Land Portfolio: Due Diligence/ /Hold Sell Analysis/Manager Search | \$ 330,000 | \$ 229,569 | Existing knowledge of the investment or organization |
| | | | | 09/03/13 | 06/30/14 | Real Estate Portfolio Performance Attribution Model Enhancements and Added Functionality | \$ 85,000 | \$ 27,225 | Existing knowledge of the investment or organization |
| | | | | 09/13/13 | 12/31/13 | Hines HC Green - Potential Houston Office Development Analysis | \$ 32,000 | \$ - | Existing knowledge of the investment or organization |
| | | | | 07/01/13 | 06/30/14 | Domestic Strategic Portfolio Performance Attribution | \$ 95,000 | \$ - | Existing knowledge of the investment or organization |
| | | | | | | | \$ 15,000 | | |
| Q2 | | | | 10/18/13 | 06/30/14 | Incentive Fee Analysis for Core Partners | \$ 75,000 | \$ 34,344 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 1,211,000 | \$ 678,431 | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Callan Associates, Inc. (Contract #2010-5562) | 07/01/13 | 06/30/14 | Portfolio Monitoring Assistance | \$ 948,000 | \$ 659,150 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 948,000 | \$ 659,150 | |

Spring-Fed Pool Contract Status Quarterly Report (for the quarter ended December 31, 2013)

| Quarter | Program | Pool Name | Consultant | Start Date | End Date | LOE Title/Description | LOE Amount | LOE Balance, as of January 10, 2014 | Selection Reason |
|--|-----------------------------|--|---|------------|--|--|--------------|-------------------------------------|---|
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Courtland Partners, Ltd. (Contract #2010-5558) | 07/01/13 | 06/30/14 | Due Diligence and Annual Investment Plans | \$ 280,000 | \$ 280,000 | Existing knowledge of the investment or organization |
| Q1 | Infrastructure & Forestland | | | 07/01/13 | 08/30/13 | Project Watchtower-Prudent Person Opinion | \$ 27,750 | \$ 11,607 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 307,750 | \$ 291,607 | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Crosswater Realty Advisors (Contract # 2010-5557) | 07/01/13 | 06/30/14 | Deep Dive Underwriting Reviews | \$ 115,000 | \$ 115,000 | Existing knowledge of the investment or organization |
| | | | | 07/01/13 | 06/30/14 | Portfolio Monitoring FY2013-14 | \$ 150,000 | \$ 99,075 | Existing knowledge of the investment or organization |
| | | | | 08/26/13 | 06/30/14 | Real Assets Program Monitoring FY2013-14 | \$ 303,000 | \$ 161,100 | Existing knowledge of the investment or organization |
| | | | | 09/07/13 | 06/30/14 | Monitoring and Assistance Investments Group | \$ 75,000 | \$ 57,800 | Existing knowledge of the investment or organization |
| | | | | 09/05/13 | 06/30/14 | Blackstone CalPERS Separate Account Enhanced Monitoring FY2013-14 | \$ 142,000 | \$ 24,446 | Existing knowledge of the investment or organization |
| Q2 | | | | 11/18/13 | 03/31/14 | ARA LTH - Project Bamboo | \$ 90,000 | \$ 85,750 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 875,000 | \$ 543,171 | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Le Plastrier (Contract # 2010-5550) | 07/01/13 | 06/30/14 | Urban Legacy Portfolio Monitoring and Annual Investment Plans | \$ 460,000 | \$ 380,926 | Existing knowledge of the investment or organization |
| | | | | 07/01/13 | 06/30/14 | Due Diligence/ Annual Investment Plans and Portfolio Monitoring : Hearthstone, Newland and Olson | \$ 740,000 | \$ 572,745 | Existing knowledge of the investment or organization |
| | | | | 07/01/13 | 06/30/14 | Annual Investment Plans and Portfolio Monitoring IHP, ORA and Resmark | \$ 640,000 | \$ 295,367 | Existing knowledge of the investment or organization |
| | | | | | | | \$ (232,000) | | |
| 07/01/13 | 06/30/14 | Due Diligence/ Annual Investment Plans and Portfolio Monitoring Shea Homes, Cap I and Mountain House | \$ 980,000 | \$ 845,280 | Existing knowledge of the investment or organization | | | | |
| Subtotal | | | | | | | \$ 2,588,000 | \$ 2,094,318 | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | LP Capital Advisors (Contract #2010-5548) | 07/01/13 | 06/30/14 | Bentall Kennedy Direct Investment Monitoring | \$ 103,750 | \$ 38,174 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 103,750 | \$ 38,174 | |
| Q2 | Infrastructure & Forestland | Real Estate Consulting Services Spring-Fed Pool | Mercer Investment Consulting, Inc. (Contract 2010-5576) | 10/14/13 | 01/15/14 | Project APAC Custom Account - Prudent Person Opinion | \$ 60,000 | \$ 60,000 | Existing knowledge of the investment or organization |
| | | | | 10/14/13 | 01/15/14 | Project Diamond - Prudent Person Opinion | \$ 85,000 | \$ 79,750 | Best value (determined through bid request proposals) |
| Subtotal | | | | | | | \$145,000 | \$139,750 | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Nichols Consulting (Contract #2010-5573) | 41548 | 41973 | Miscellaneous Planning and Monitoring Projects for Real Assets (RA) | \$ 501,000 | \$ 436,800 | Existing knowledge of the investment or organization |
| | | | | | | | \$ (40,800) | | |
| Subtotal | | | | | | | \$ 460,200 | \$ 436,800 | |
| Q2 | TIPS | Real Estate Consulting Services Spring-Fed Pool | Pension Consulting Alliance (Contract #2010-5571) | 01/01/14 | 06/30/15 | Responsible Contractor Program Policy | \$ 133,000 | \$ 133,000 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$133,000 | | |
| Q1 | Real Estate | Real Estate Consulting Services Spring-Fed Pool | Townsend Holdings LLC (Contract #2010-5567) | 07/01/13 | 06/30/14 | Townsend House View Reporting Services | \$ 50,000 | \$ 50,000 | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$50,000 | \$50,000 | |
| Total Real Estate SFP Committed Amount | | | | | | | \$6,821,700 | | |

Spring-Fed Pool Contract Status Quarterly Report *(for the quarter ended December 31, 2013)*

| Quarter | Program | Pool Name | Consultant | Start Date | End Date | LOE Title/Description | LOE Amount | LOE Balance, as of January 10, 2014 | Selection Reason |
|--|---------|--|---|------------|----------|---|--------------|--|---|
| Q2 | TIPS | Diversity Spring-Fed Pool Consultants | RG & Associates (Contract #2010-6009) | 10/10/13 | 06/30/14 | CalPERS Diversity Survey | \$ 60,633 | \$ 30,317 | Only vendor with experience on prior project |
| Subtotal | | | | | | | \$ 60,633 | \$ 30,317 | |
| Total Diversity SFP Committed Amount | | | | | | | \$60,633 | | |
| Q1 | INVO | ESPD Consulting Services Spring-Fed Pool | Starting Point (Contract #2011-6205) Subcontracted to The Spaulding Group | 07/01/13 | 06/13/14 | Fundamentals of Performance Measurement Workshop | \$ 54,000 | \$ - | Existing knowledge of the investment or organization |
| Subtotal | | | | | | | \$ 54,000 | \$ - | |
| Total ESPD SFP Committed Amount | | | | | | | \$54,000 | | |
| Q2 | ISD | IT Spring-Fed Pool | Cambria | 12/06/2013 | 09/05/14 | ARIES Maintenance & Support | \$374,630 | \$374,630 | Existing project, continued with new contract |
| Subtotal | | | | | | | \$374,630 | \$374,630 | |
| Q1 | ISD | IT Spring-Fed Pool | MK Partners | 07/01/13 | 06/30/14 | IPTS Maintenance, Support & Enhancements | \$70,000 | \$70,000 | Existing project, continued with new contract |
| Subtotal | | | | | | | \$70,000 | \$70,000 | |
| Q1 | ISD | IT Spring-Fed Pool | Propoint Technology | 07/01/13 | 11/30/13 | Supplemental Income Plans Transition | \$50,400 | \$0 | Only pool contractor with the expertise to perform the work |
| | | | | 07/01/13 | 02/28/14 | Terminated Agency Pool Implementation | \$50,400 | \$22,080 | Only pool contractor with the expertise to perform the work |
| | | | | 08/01/13 | 07/31/14 | AIM-IBOR/INVO Business Analyst | \$185,760 | \$57,720 | Existing project, continued with new contract |
| | | | | 08/01/13 | 07/31/14 | AIM IBOR Project Manager | \$201,240 | \$133,900 | Existing project, continued with new contract |
| | | | | 12/10/12 | 03/06/14 | Alpha Platform/GEA3/Global Equity | \$29,257 | \$19,177 | Amending PO 91505 to add time and funds |
| | | | | 10/14/13 | 10/13/14 | PM2/Global Equity | \$201,240 | \$182,065 | Existing project, continued with new contract |
| Subtotal | | | | | | | \$718,297 | \$414,942 | |
| Q1 | ISD | IT Spring-Fed Pool | Pyramid Technology | 08/26/13 | 08/25/14 | Charles River SME & PM2 Project Resource | \$204,336 | \$126,720 | Existing project, continued with new contract |
| Subtotal | | | | | | | \$204,336 | \$126,720 | |
| Q1 | ISD | IT Spring-Fed Pool | SaS International | 09/23/13 | 09/22/14 | Application Development/INVO Systems | \$147,060 | \$104,595 | Existing project, continued with new contract |
| Subtotal | | | | | | | \$147,060 | \$104,595 | |
| Q1 | ISD | IT Spring-Fed Pool | Trinity Technology Group, Inc | 07/01/13 | 06/30/14 | Performance Attribution - Application Development | \$193,855 | \$91,228 | Existing project, continued with new contract |
| Subtotal | | | | | | | \$193,855 | \$91,228 | |
| Total IT SFP Committed Amount | | | | | | | \$1,708,178 | | |
| Grand Total Investment Office SFP Committed Amount | | | | | | | \$19,723,711 | | |

Investment Policy Administrative Changes (for the quarter ended December 31, 2013)

| Review Date | Policy | Policy Category | Comments |
|-------------------|---|--|--|
| November 14, 2013 | Securities Lending | Investment & Risk Management | (1) Change to Asset Side Credit Rating to allow for security types to have equivalent long term and / or short term credit rating minimums; (2) Add Malaysia as an approved equity lending country. |
| November 21, 2013 | Restricting PE Investments in Public Sector Outsourcers | Investment Asset Classes | Remove reference to delegations and revised appropriate template language. |
| December 2, 2013 | Asset Allocation Strategy | Asset Allocation | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 2, 2013 | Opportunistic Program | Investment & Risk Management | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 2, 2013 | Developmental Investment Fund | Investment & Risk Management | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | California Employers' Retiree Benefit Trust Fund | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | Legislators' Retirement System Fund | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | Long-Term Care Fund | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | Judges Retirement System II Fund | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | SIP CalPERS Target Retirement Date and POFF Funds | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | Public Employees' Health Care Fund | Asset Allocation | (1) Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy; (2) Also revised template language for Performance Objective and Benchmark. |
| December 3, 2013 | Supplemental Income Plans | Other (Non-PERF) Investment Portfolios | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 3, 2013 | Judges' Retirement Fund | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 5, 2013 | Benchmarks | Investment & Risk Management | (1) Overall policy revised to include reference to Inv. Beliefs Policy; (2) Attachment B revised to incorporate related Affiliate Funds benchmark changes; (3) Attachment C revised to remove benchmarks for repealed GE policies; (4) Attachment J revised to incorporate benchmark change. |

Investment Policy Administrative Changes *(for the quarter ended December 31, 2013)*

| Review Date | Policy | Policy Category | Comments |
|---|------------------------------------|--------------------------|---|
| December 24, 2013 | Inflation Assets | Investment Asset Classes | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy; Changes impacted Attachments A and B. |
| December 24, 2013 | Currency Overlay | Investment Asset Classes | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy; Changes impacted Attachments A, C and D. |
| December 24, 2013 | Low Duration Fixed Income | Investment Asset Classes | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy; Changes impacted Attachments A1, A2, A3 and A4. |
| December 24, 2013 | Global Fixed Income | Investment Asset Classes | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy; Changes impacted Attachments A and B. |
| December 24, 2013 | Liquidity | Investment Asset Classes | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy; Changes impacted Attachment A . |
| December 24, 2013 | Global Equity | Investment Asset Classes | Language revision due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 24, 2013 | Private Equity | Investment Asset Classes | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 24, 2013 | Absolute Return Strategies | Investment Asset Classes | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 24, 2013 | Multi-Asset Class Partners | Investment Asset Classes | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 24, 2013 | Terminated Agency Pool | Asset Allocation | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 24, 2013 | Corporate Governance Program | Investment Asset Classes | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| December 24, 2013 | Emerging Equity Markets Principles | Investment Asset Classes | Insertion of new language due to adoption of new Global Derivatives and Counterparty Risk Policy. |
| This report includes a summary of administrative changes for the period of September 30, 2013 to December 31, 2013. | | | |



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