

# ERMD 2021-22 Mid-Year Plan Update

## Strategic Initiative: Risk Management

STATUS	INITIATIVE	Q2 UPDATES
	<p><b>Facilitate the Asset Liability Management Advisory Committee (ALMAC) to assist the Board in making decisions throughout the ALM cycle</b></p>	<ul style="list-style-type: none"> <li>Coordinated presentation schedules of key ALM components including Experience Study results, discussion of candidate portfolios with discount rates, adoption of new actuarial assumptions, adoption of new economic assumptions, final approval of the new discount rate, and final approval of a new strategic asset allocation.</li> </ul>
<p>100% <span style="color: green;">■</span></p>	<p>Facilitate presentation and approval of candidate portfolios, discount rate, and strategic asset allocation</p>	
	<p><b>Complete the 2021 Annual Enterprise Risk Assessment</b></p>	
<p>100% <span style="color: green;">■</span></p>	<p>Update: Dashboard, Risk Profiles, Heatmap, and Developing Risks</p>	<ul style="list-style-type: none"> <li>Completed the 2021 Annual Enterprise Risk Assessment; updated the Enterprise Risk Dashboard (Dashboard), Profiles, Enterprise Heatmap (Heatmap); facilitated discussions with subject matter experts to review risk drivers and mitigations.</li> </ul>
<p>50% <span style="color: green;">■</span></p>	<p>Incorporate consistent developing risks reporting</p> <p><b>More fully incorporate enterprise risk analysis in the strategic planning process</b></p>	<ul style="list-style-type: none"> <li>Updated Developing Risks Report in September 2021.</li> </ul>
<p>50% <span style="color: green;">■</span></p>	<p>Continue partnership with Enterprise Strategy &amp; Performance Division in the development of the 2022–27 Strategic Plan</p>	<ul style="list-style-type: none"> <li>Continued to partner with Enterprise Strategy &amp; Performance Division (ESPD) in the development of the 2022–27 Strategic Plan to integrate risk considerations and risk-informed decision-making into the Strategic Plan Goal development process.</li> </ul>

Status Legend

■ On-Target

■ At-Risk

■ Off-Target

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STATUS	INITIATIVE	Q2 UPDATES
	<b>Enhance enterprise data governance to ensure accuracy, consistency, and strengthen data-driven decisions</b>	
50%	<span style="color: green;">■</span> Draft policy to enhance current data security governance	<ul style="list-style-type: none"> <li>• Drafted the Information Assets Data Retention policy and circulated to internal stakeholders and labor unions for review.</li> </ul>
100%	<span style="color: green;">■</span> Collaborate with program areas to operationalize the Employer Data Request program	<ul style="list-style-type: none"> <li>• Completed implementation of the Employer Data Request Program.</li> </ul>
	<b>Complete 2021 State Leadership Accountability Act (SLAA) Reporting</b>	
100%	<span style="color: green;">■</span> Submit the SLAA Report to the Department of Finance (DOF) by December 31, 2021	<ul style="list-style-type: none"> <li>• Submitted the SLAA report to the Department of Finance on December 16, 2021.</li> </ul>
50%	<span style="color: green;">■</span> Submit Implementation Plan update by June 30, 2022	<ul style="list-style-type: none"> <li>• Once DOF accepts the SLAA report (Feb-March 2022), implementation will be initiated with planned completion for June 2022.</li> </ul>
	<b>Educate CalPERS team members and stakeholders to continue to cultivate a risk-intelligent organization through the implementation of the ERMD Communication Plan</b>	
50%	<span style="color: green;">■</span> Continue partnership with Human Resources Division to enhance risk management trainings	<ul style="list-style-type: none"> <li>• Provided risk management training to new team members at New Employee Orientation sessions and conducted a new Division Risk Assessment webinar designed for all team members.</li> </ul>
50%	<span style="color: green;">■</span> Integrate risk management and compliance activities to increase effectiveness of Compliance and Risk Liaison (CaRL) collaboration.	<ul style="list-style-type: none"> <li>• Met with new/existing CaRLs to orient and reinforce compliance and risk roles and responsibilities. Discussed new tools and concepts to improve compliance and risk function effectiveness.</li> </ul>

Status Legend ■ On-Target ■ At-Risk ■ Off-Target

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STATUS	INITIATIVE	Q2 UPDATES
80% 	<b>Review CalPERS' insurance portfolio</b> Establish processes to manage business insurance program	<ul style="list-style-type: none"><li>Further researched and analyzed potential insurance coverage options for CalPERS to transfer operational risks.</li></ul>

Status Legend

 On-Target

 At-Risk

 Off-Target