



# Investment Committee

## Agenda Item 6c

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**November 13, 2023**

**Item Name:** Total Fund Portfolio Management Annual Program Review

**Program:** Total Fund Portfolio Management, Investment Office

**Item Type:** Information

### **Executive Summary**

This agenda item provides the Investment Committee of the CalPERS Board of Administration with information on Total Fund Portfolio Management, including its role in managing the overall portfolio, its business objectives, and contribution to total portfolio performance and risk.

### **Investment Beliefs**

- Strategic Asset Allocation is the dominant determinant of portfolio risk and return
- Liabilities must influence the asset structure: Strategic Asset Allocation
- A long-time investment horizon lets us invest in illiquid assets, opportunistic strategies
- CalPERS must articulate its investment goals and performance measures and ensure clear accountability for their execution: SAA, Risk Budgets
- CalPERS will take risk only where we have a strong belief, we will be rewarded for it
- Strong processes and teamwork and deep resources are needed to achieve CalPERS goals and objectives

### **Background**

The Annual Program Review provides the Committee with the following information:

- An overview of Total Fund Portfolio Management
- Total Fund Portfolio Management contributions to managing total portfolio risk and performance
- Program updates and key initiatives

### **Analysis**

- Not Applicable

## **Budget and Fiscal Impacts**

- Not Applicable

## **Benefits and Risks**

- Not Applicable

## **Attachments**

Attachment 1 – Total Fund Portfolio Management Annual Program Review

Attachment 2 - Wilshire Letter

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Sterling Gunn  
Managing Investment Director  
Total Fund Portfolio Management

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Dan Bienvenue  
Interim Chief Investment Officer