

# **Monthly Status Report – Enterprise Compliance Activity**

**April 2025**

**Presented to  
Risk and Audit Committee  
June 2025**

## **Purpose**

Provide the Risk and Audit Committee with compliance monitoring and oversight analytics to aid in fulfilling their role in overseeing key compliance and ethics activities.

## Executive Summary

This report provides activity regarding key risk indicators (KRI) specific to four components of the Enterprise Compliance, Risk & Governance program for the month of April 2025. Those components are Form 700 filings, Personal Trading Monitoring, Ethics Helpline, and Mandatory Training completion rates.

- Of all the Board & Employee Form 700 statements, 100% were filed timely.
- Of all the Consultant Form 700 statements, 92% were filed timely.
- There were five Personal Trading violations for the month.
- There were 23 Ethics Helpline complaints received in the month.
- Of the Mandatory Employee Trainings, 100% were completed in the month.

Additional details relating to these compliance activities can be found in pages 5 through 14.

## Table of Contents

Page

5	<b>Board &amp; Employee and Consultant Form 700 Filings</b> <ul style="list-style-type: none"> <li>Filing status of Board members, employees, and consultants required to file Statements of Economic Interests – Form 700, mandated by the CalPERS – Conflict of Interest Code</li> </ul>
7	<b>Personal Trading Monitoring</b> <ul style="list-style-type: none"> <li>Violations to CalPERS Personal Trading Regulations</li> <li>Personal Trading Affirmation status</li> </ul>
9	<b>Ethics Helpline</b> <ul style="list-style-type: none"> <li>Complaints or reports received through CalPERS Ethics Helpline</li> <li>Summary of Closed Substantiated Complaints</li> </ul>
14	<b>Training Compliance</b> <ul style="list-style-type: none"> <li>Employee Mandatory Training completion status</li> </ul>
15	<b>Appendix</b> <ul style="list-style-type: none"> <li>Form 700: Statement Definitions</li> <li>Personal Trading: Violation Type Definitions</li> <li>Ethics Helpline: Complaint Category Definitions</li> <li>Ethics Helpline: Case Status Definitions</li> </ul>

## Form 700: Board & Employee and Consultant Statement Activity

### Tolerance Levels

On-target	At-risk	Off-target	Frequency
100% - 90%	89% - 75%	<75%	Monthly

### Board & Employee Statements (KRI)

Month	Total	Submitted Timely	% Submitted Timely
Apr-25	41	41	100%
Mar-25	463	463	100%
Feb-25	337	337	100%
Jan-25	313	313	100%
Dec-24	32	32	100%
Nov-24	32	26	81%
Oct-24	26	22	85%
Sep-24	46	39	85%
Aug-24	42	34	81%
Jul-24	47	37	79%
Jun-24	42	36	86%
May-24	33	28	85%

### Consultant Statements (KRI)

Month	Total	Submitted Timely	% Submitted Timely
Apr-25	25	23	92%
Mar-25	124	124	100%
Feb-25	37	37	100%
Jan-25	22	22	100%
Dec-24	12	12	100%
Nov-24	22	21	95%
Oct-24	8	7	88%
Sep-24	12	4	33%
Aug-24	12	2	17%
Jul-24	12	7	58%
Jun-24	16	14	88%
May-24	38	37	97%

### Observations:

- Of the Board & Employee statements filed in April 2025, 100% (41 of 41) were submitted timely.
- Of the Consultant statements filed in April 2025, 92% (23 of 25) were submitted timely.
- There were no overdue statements as of 04/30/2025.

### Notes:

- Monthly statement activity includes all Form 700 statements submitted during the month and all overdue statements.
- See Appendix for related definitions.

## Form 700: Combined Statement Activity

### Tolerance Levels

On-target	At-risk	Off-target	Frequency
100% - 90%	89% - 75%	<75%	Monthly

### All Statements (KRI)

Month	Total	Submitted Timely	% Submitted Timely
Apr-25	66	64	97%
Mar-25	587	587	100%
Feb-25	374	374	100%
Jan-25	335	335	100%
Dec-24	44	44	100%
Nov-24	54	47	87%
Oct-24	34	29	85%
Sep-24	58	43	74%
Aug-24	54	36	67%
Jul-24	59	44	75%
Jun-24	58	50	86%
May-24	71	65	92%

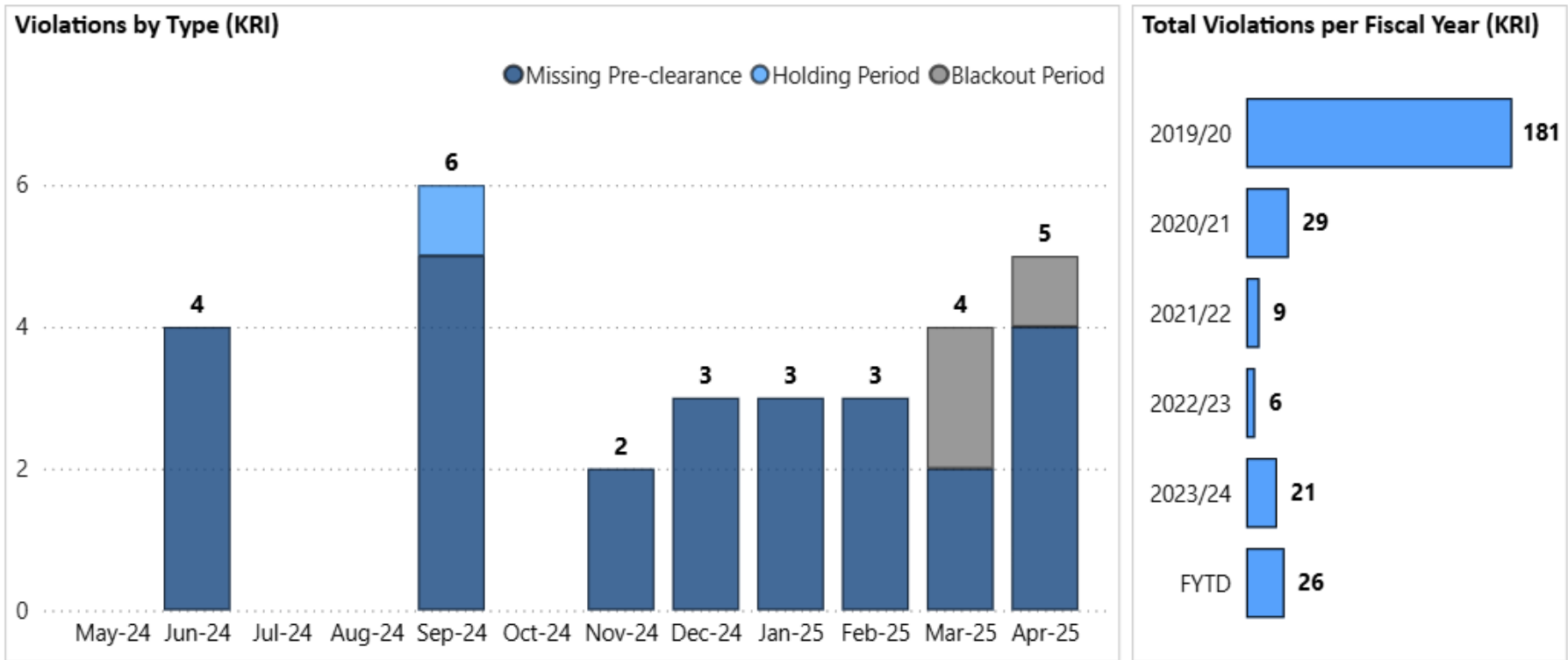
### Observations:

- There were 64 statements submitted timely in April 2025.
- There were two statements submitted late in April 2025.
- There were no overdue statements as of 04/30/2025.

### Notes:

- This graphic combines all Board & Employee and Consultant statement activity.
- Monthly statement activity includes all Form 700 statements submitted during the month and all overdue statements.
- See Appendix for related definitions.

## Personal Trade Monitoring: Violations



### Observation:

- Three Covered Persons failed to pre-clear their transactions, resulting in four Missing Pre-clearance violations and one Blackout Period violation.

### Notes:

- Multiple violations can be triggered by a single Covered Person at one time.
- FYTD is a running total of the violations that occur in the current fiscal year, beginning July 1.
- See Appendix for related definitions.

## Personal Trade Monitoring: Personal Trading Affirmations

Personal Trading Affirmation / Attestation Filing Report April 2025				
Affirmation Type	Total Due	Submitted Timely	Submitted Late	Overdue
Initial Personal Trading Affirmations	10	10	-	-
FY 2024-25 Q3 Transaction Affirmations	41	41	-	-
Annual Personal Trading Attestations	3	-	1	2
<b>Total</b>	<b>54</b>	<b>51</b>	<b>1</b>	<b>2</b>

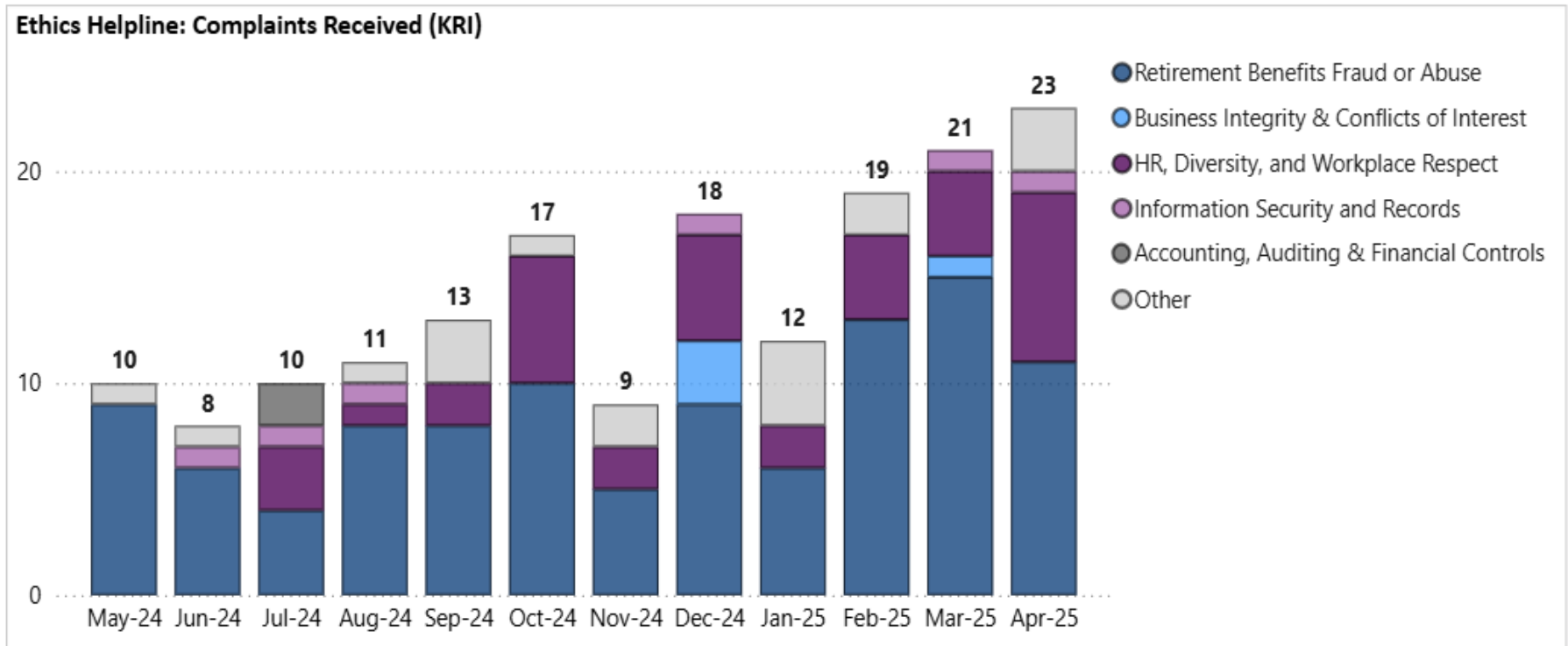
### Observations:

- There were 10 Initial Personal Trading Affirmations due in April 2025; all affirmations were submitted timely.
- There were 41 FY 2024-25 Q3 Transaction Affirmations due in April 2025; all affirmations were submitted timely.
- There were three Annual Personal Trading Attestations due in April; one attestation was submitted late, and two overdue attestations belong to Covered Persons on a leave of absence.
- As reported last month, but not reflected in the totals above, 460 Annual Personal Trading Attestations due in April were submitted timely in March 2025.

**Note:** See Appendix for related definitions.



## Ethics Helpline: Complaints Received



### Observations:

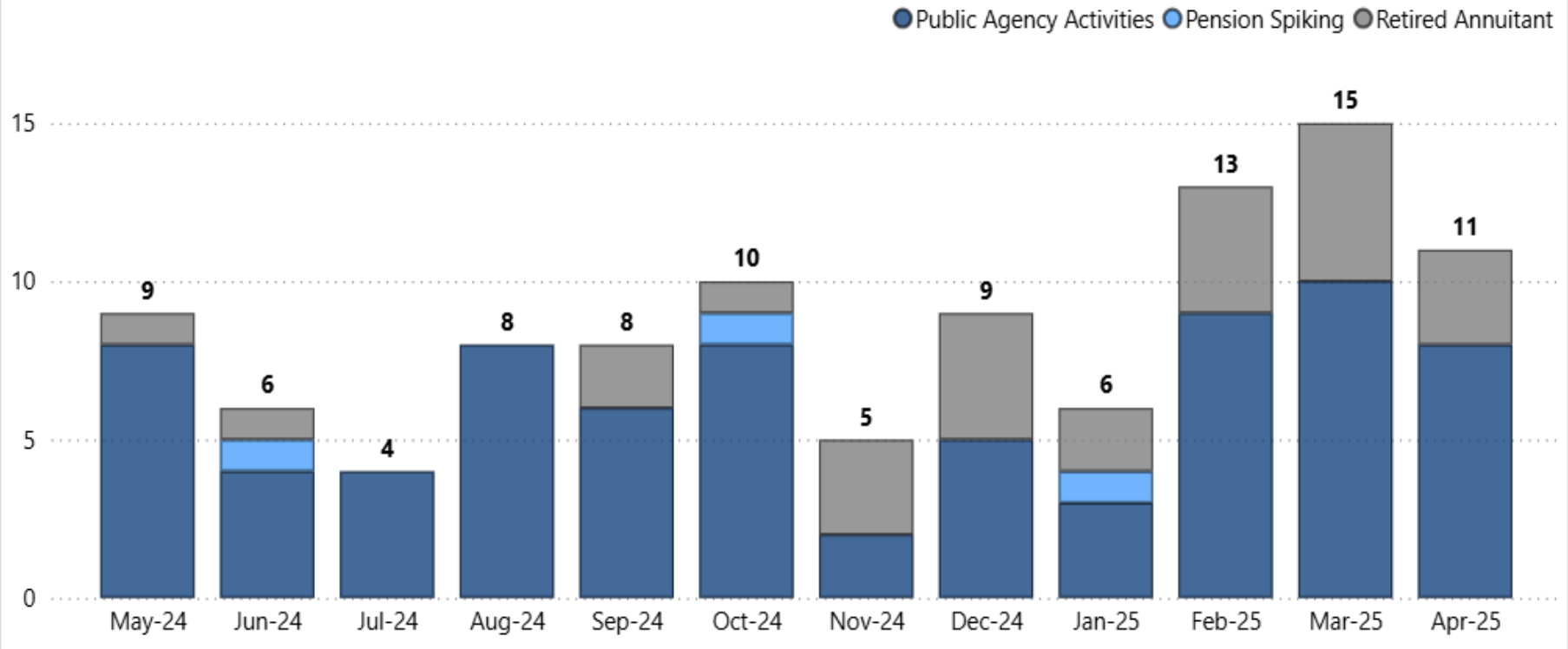
- In April 2025, there were 23 new complaints; 48% (11 of 23) fell under the Retirement Benefits Fraud or Abuse category.
- There was one non-ethics case received in April 2025.

### Notes:

- Tolerance levels are not applied to ethics helpline metrics.
- See Appendix for category descriptions.

## Ethics Helpline: Retirement Benefits Fraud or Abuse (RBFA) 1-Year Trend

Ethics Helpline: Retirement Benefits Fraud or Abuse Complaints Received (KRI)



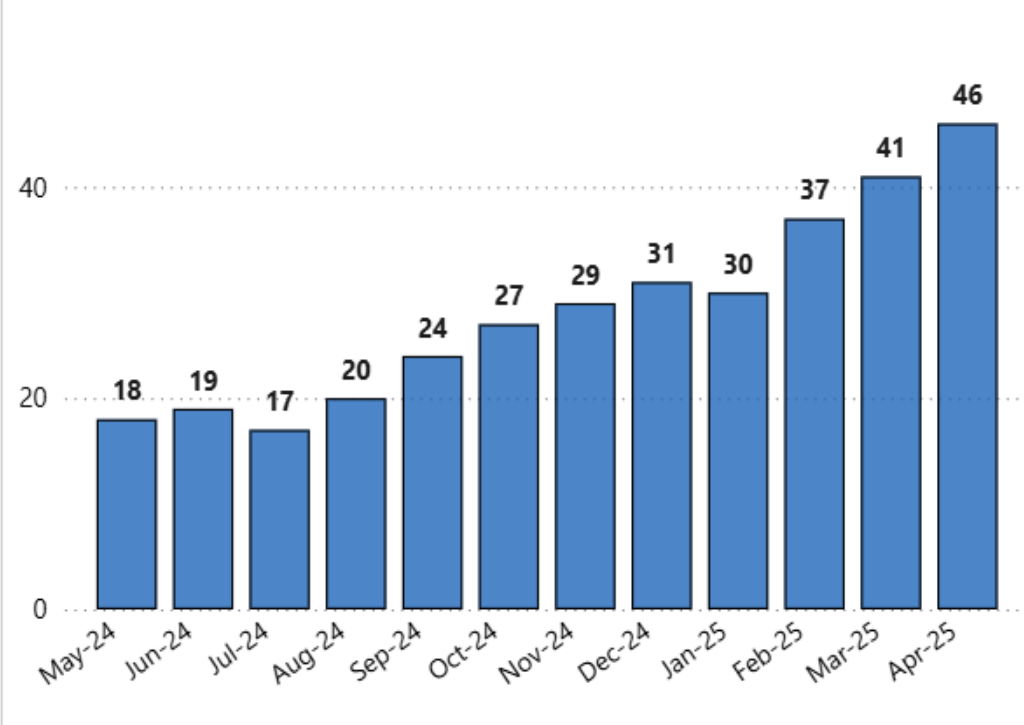
### Observation:

- The Public Agency Activities subcategory accounted for 73% (8 of 11) of the RBFA complaints received in April 2025.

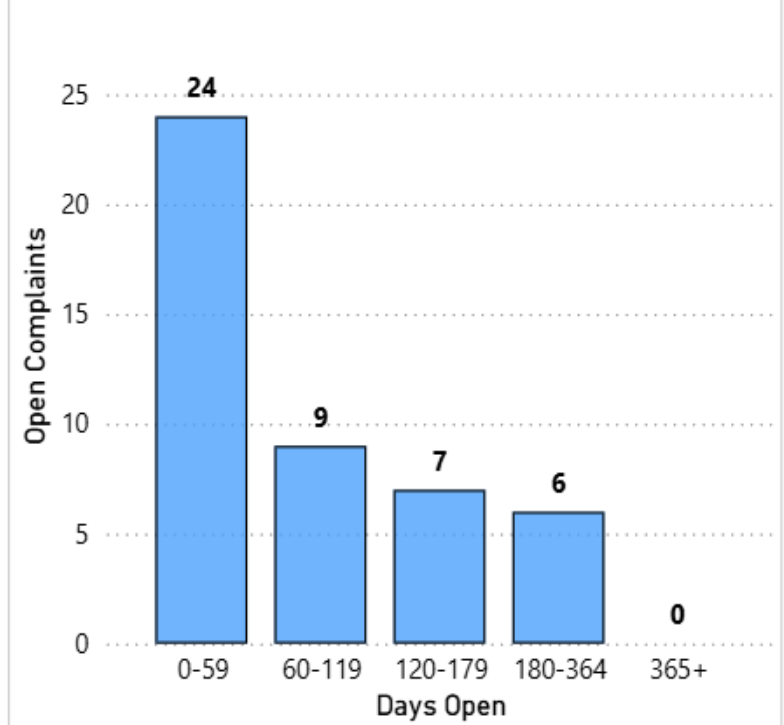
**Note:** Tolerance levels are not applied to ethics helpline metrics.

## Ethics Helpline: Open Complaints

Ethics Helpline: Open Complaints at Month's End (KRI)



Ethics Helpline: Open Complaints by Duration Open (KRI)



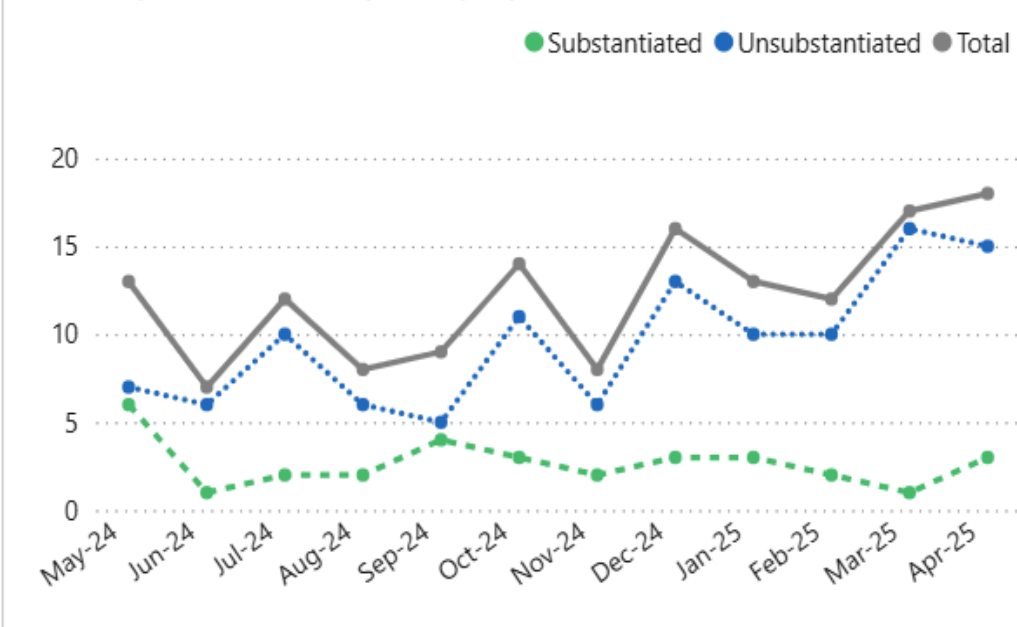
### Observation:

- There were 46 open Ethics Helpline complaints as of 04/30/2025.

**Note:** Tolerance levels are not applied to ethics helpline metrics.

## Ethics Helpline: Closed Complaints

Ethics Helpline: Closed Complaints (KRI)



Ethics Helpline: Substantiated Complaints (KRI)

Month	Total Closed	Substantiated	% Unsubstantiated
Apr-25	18	3	83%
Mar-25	17	1	94%
Feb-25	12	2	83%
Jan-25	13	3	77%
Dec-24	16	3	81%
Nov-24	8	2	75%
Oct-24	14	3	79%
Sep-24	9	4	56%
Aug-24	8	2	75%
Jul-24	12	2	83%
Jun-24	7	1	86%
May-24	13	6	54%

### Observation:

- During the month of April 2025, 83% (15 of 18) of closed complaints were not substantiated.

### Notes:

- Tolerance levels are not applied to ethics helpline metrics.
- "Not substantiated" includes complaints that were closed as unsubstantiated, inconclusive, or for insufficient information.
- See Appendix for complaint category definitions and case status definitions.

## Ethics Helpline: Summary of Closed Substantiated Complaints

### Closed Substantiated Complaints 04/01/2025 – 04/30/2025

Case Number	Issue Type	Allegation	Action Taken
2025-1716	Other	The reporting party alleges they are unable to reach CalPERS to make a medical claim. Findings: The claim was assessed and approved timely, and the member was notified.	Closed: 04/30/2025
2025-1712	Information Security & Records	The reporting party alleges their manager is directing them to share HIPAA protected information via email. Findings: The complaint was closed at intake after leadership already addressed and clarified that team leaders should not share specific medical information but may share work-related impacts.	Closed: 04/09/2025
2024-1646	Human Resources, Diversity & Workplace Respect	The reporting party alleges nepotism during the hiring process. Findings: The allegation of nepotism during the hiring process was reviewed by HRSD, which found the process to be merit-based with no evidence of nepotism, though some general recruitment concerns were identified and addressed through management actions.	Closed: 04/25/2025

## Training Compliance: Employee Mandatory Training

Employee Mandatory Training (KRI)			
On-target	At-risk	Off-target	Frequency
100% - 97%	96% - 90%	<90%	Monthly
Month	# of Courses Assigned	# of Courses Completed	% Completed
Apr-25	207	207	100%
Mar-25	201	200	99%
Feb-25	287	282	98%
Jan-25	220	219	99%
Dec-24	303	303	100%
Nov-24	199	199	100%
Oct-24	285	285	100%
Sep-24	298	289	97%
Aug-24	173	168	97%
Jul-24	164	156	95%
Jun-24	190	190	100%
May-24	195	194	99%

### Employee Mandatory Training (KRI)

April 2025



### Observation:

- Employees completed 100% (207 of 207) of assigned mandatory training courses due in April 2025.

### Notes:

- Mandatory training is due within 14 days of a new employee's start date.
- Annual enterprise-wide mandatory training is reported separately.
- Completion rates are calculated based on all active team members required to take each mandatory training. Team members on an official leave of absence and retired team members who have separated are not included in the calculation.

## **Appendix - Additional Information**

- Form 700 Statement Definitions
- Personal Trading Violation Type Definitions
- Ethics Helpline Complaint Category Definitions
- Ethics Helpline Case Status Definitions

## Form 700 Statement Definitions

### Statement Type

**Annual:** Form 700 statement that is due on April 1st (or the following Monday if April 1st falls on a weekend).

**Assuming Office:** Form 700 statement that is due within 30 days of assuming office.

**Leaving Office:** Form 700 statement that is due within 30 days of leaving office.

**Amendment:** An amended Form 700 statement that is due within 30 days of the amendment request date.

### Statement Status

**Submitted Timely:** Form 700 statements submitted within the due date.

**Submitted Late:** Form 700 statements submitted after the due date.

**Overdue:** Unsubmitted Form 700 statements after the due date has passed.

**Referred to FPPC:** Unsubmitted Form 700 referred to the Fair Political Practices Commission (FPPC) for enforcement.

**Note:** See Pages 5 & 6 for details.



## Personal Trading Violation Type Definitions

**Blackout Period:** Covered Persons are prohibited from buying, selling or transferring Covered Securities during the Blackout Period, which is the three (3) day period of time that commences one market day before and ends one market day after a transaction in Covered Securities by CalPERS.

**Holding Period:** The 30-calendar-day period between the acquisition and sale, and the 30-calendar-day period between sale and re-acquisition, of a Covered Security.

**Missing Pre-Clearance:** Covered Persons are required to obtain pre-clearance approval before the purchase, sale or transfer of Covered Securities is executed in a Covered Account, unless the transaction is exempt from the requirement of pre-clearance.

*Note: See Page 7 for details.*

## Ethics Helpline Complaint Category Definitions

All Ethics Helpline complaints now fall under one of the following six issue types. These categories were developed with CalPERS' priorities in mind and to bring our reporting processes in line with established industry standards.

Complaint Categories	Examples of Violations
Accounting, Auditing & Financial Controls	Accounting & Auditing Matters; Compliance with Laws & Regulations; Document Creation & Retention; Fraud (Non-retirement benefits related); Override of Internal Controls; Securities Valuation; Tax Issues
Business Integrity & Conflicts of Interest	Contract Compliance; Foreign Corrupt Practices Act & Improper Payments; Improper Giving & Receiving of Gifts; Insider Trading; Outside Employment & Compensation; Relationships with Clients, Suppliers & Vendors
Human Resources, Diversity & Workplace Respect	Discrimination or Harassment; EEOC or ADA Matters; Human Resources (HR); Retaliation; Safety, Health & Environment; Sexual Harassment; Workplace Violence
Information Security & Records	Badging & Access Control; Computer, Email & Internet Use; Data Privacy; Disclosure of Confidential Information; Health Insurance Portability & Accountability Act (HIPAA) Violations; Identity Theft
Retirement Benefits Fraud or Abuse	<ul style="list-style-type: none"> <li>Retired Annuitants - Involves retired CalPERS members who work for a CalPERS covered agency post retirement.</li> <li>Pension Spiking - Involves situations where a CalPERS covered employer inflates the compensation of an employee in the years immediately preceding retirement for the purpose of increasing their monthly retirement allowance.</li> <li>Public Agency Activities - Refers to a CalPERS public agency's failure to bring a qualified employee into CalPERS membership or any other allegations that do not fit either of the other subtypes.</li> </ul>
Other	Reporting parties can select this issue type if they feel the ethical violation they are reporting doesn't fall under one of the other five categories.

**Note:** See Pages 9, 10, & 13 for details.

## Ethics Helpline Case Status Definitions

Case Status	Definition
Substantiated	The investigation establishes that it is more likely than not that the alleged conduct occurred.
Unsubstantiated	The investigation establishes that it is more likely than not that the alleged conduct did not occur.
Inconclusive	The investigation fails to establish one way or another whether the alleged conduct occurred.
Insufficient Information	Information submitted was not sufficient to initiate investigation.

**Note:** See Page 12 & 13 for details.