

FY 2026-27
Enterprise Compliance, Risk & Governance
Annual Plan

CalPERS Risk and Audit Committee

June 16, 2026

Goal

Mature an industry standard enterprise compliance and risk program utilizing integrated technology systems, people, and process capabilities to manage and mitigate compliance and ethics risks.

FY 2026-27 will continue initiatives started in the previous fiscal year and begin new initiatives to deepen the compliance and risk program into FY 2026-27 and beyond.

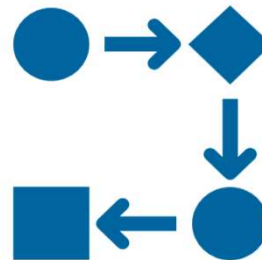
Priorities

People



- Strengthen organizational compliance and risk culture through targeted training and education programs
- Deepen collaboration with first-line management to improve risk identification, assessment, and mitigation activities

Processes



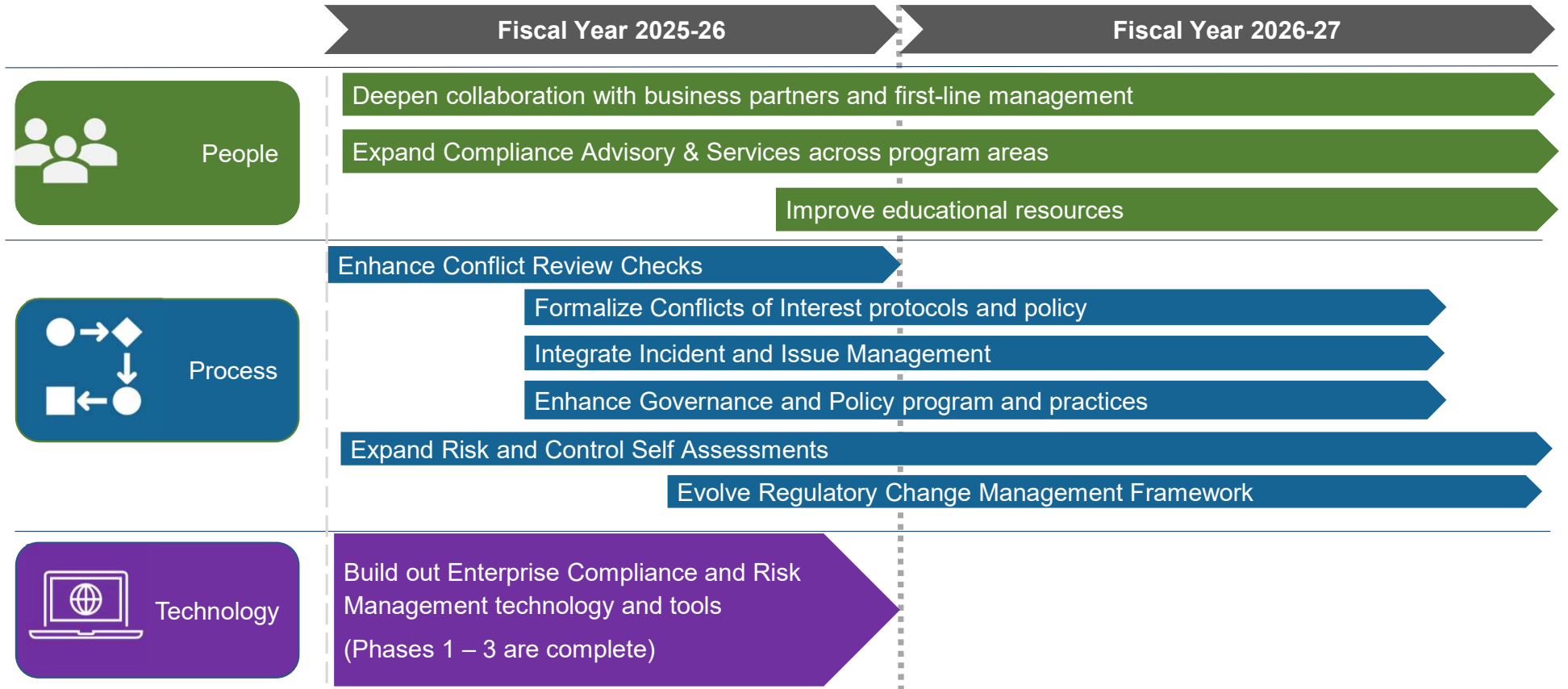
- Standardize and formalize governance processes related to conflicts of interest, incident management, and policy management
- Expand and enhance risk management processes within program areas through pilots and strategic opportunities

Technology



- MCO platform integration is complete
- Technology considered part of normal operations with routine enhancements as needed

2025 -27 Roadmap



Objective FY 2026-27

Assess CalPERS' compliance and risk management functions and prioritize initiatives that will modernize the systems, tools, and surveillance capabilities.

Initiative 1 – Enable CalPERS to better assess risk within the program areas and provide aggregated reporting at the enterprise level. (Multi-Year)

1.1 Develop First Line Risk and Control Self-Assessment process in collaboration with the first line of defense within each program area (Multi-Year)

1.3 Establish a formal Regulatory Change Management Framework to support enterprise understanding of new and changing requirements (Multi-Year)

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Initiative 2 - Enhance assurance, monitoring, and issues remediation capabilities to minimize compliance risks. (Multi-Year)

2.1 Enhance monitoring of Conflicts of Interest

2.2 Support Risk Management initiatives across the enterprise in partnership with all first line of defense program areas (Multi-Year)

2.4 Provide team members with education and tools to identify and disclose potential compliance issues (Multi-Year)

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Initiative 3 - Educate and cultivate ethical and risk-intelligent practices amongst CalPERS team members. (Multi-Year)

3.1 Enhance Compliance and Risk Training Programs across the organization (Multi-Year)

3.2 Establish formal Compliance and Risk Advisory Teams aligned with program areas (Multi-Year)

3.3 Drive Risk Governance and Policy Practices to adhere to more formal process (Multi-Year)