Finance and Administration Committee

Agenda Item 6d

November 17, 2026

Item Name: Modernizing Investment Data and Technology Update

Program: Investment Office

Item Type: Information Item

Executive Summary

This information agenda item provides the Board of Administration (Board) with a status update on the Investment Data and Technology Modernization Initiative. It includes updates on key milestones of each project and overview of Project 2 (Private Markets). Additionally, it provides a summary of the Initiative budget, including the 2025-26 spend and the 2026-27 budget.

Strategic Plan

This agenda item supports the CalPERS Strategic Plan Goal – Pension Sustainability – to strengthen the long-term sustainability of the pension.

Investment Beliefs

This agenda item supports four of CalPERS' Investment Beliefs:

- Investment Belief 5: CalPERS must articulate its investment goals and performance measures and ensure clear accountability for their execution.
- Investment Belief 8: Costs matter and need to be effectively managed.
- Investment Belief 9: Risk to CalPERS is multi-faceted and not fully captured through measures such as volatility or tracking error.
- Investment Belief 10: Strong processes and teamwork and deep resources are needed to achieve CalPERS goals and objectives.

Background

The purpose of this strategic initiative is to establish a modernized investment platform for improved fund performance. The objective of the modernized platform is to enable reduced operational risk, improved efficiency, and investment innovation to deliver a better portfolio. During the April 2026 Finance and Administration Committee (FAC) meeting, an update was provided on the Investment Data and Technology Modernization Initiative (Initiative) and funding request for FY 2026-27 was approved.

The goal during 2026-27 is to continue to progress the overall Initiative with focus on Project 1: Capital Markets and Total Fund, Project 2: Private Markets, and Project 3: Data Platform.

Analysis

This presentation provides an update on the status of the Investment Data and Technology Modernization Initiative. All projects remain on schedule, within scope, and on budget to achieve their key fiscal year 2026–27 milestones.

The presentation also provides additional detail on the implementation approach and timeline for Project 2 – Private Markets. The project will use a phased implementation approach to deliver initial capabilities, prioritizing core record keeping and data management functionality and allowing users to gain experience with the new platform. Subsequent phases will build on this foundation to introduce additional capabilities, including pre-investment functionality, reporting, and workflows.

No additional funding is required for fiscal year 2026–27. Staff will return to the Finance and Administration Committee in April 2027 to request funding for fiscal year 2027–28.

Budget and Fiscal Impacts

- Funding of $70.9M, as part of the 2026-27 Investment Office budget, was approved at the April 2026 FAC.
- Funding of $38M, as part of the 2025-26 Investment Office budget, was approved at the April 2025 FAC.
- Funding of $10M, as part of the 2024-25 Investment Office budget, including $2.5M from the original budget approved at the April 2024 FAC and an additional $7.5M mid-year increase was approved at the November 2024 FAC.

Benefits and Risks

Benefits of Processing

- The long-term outcome of this investment data and technology initiative will enable CalPERS to innovate, drive scale, improve efficiency and mitigate operational risks. This, in turn, will provide an opportunity to deliver improved returns.
- Mitigates operational risks tied to the implementation of the investment strategy, supporting the achievement of long-term investment returns.
- Mitigates operational risks tied to the implementation of the investment strategy, supporting the achievement of long-term investment returns.
- Mitigates operational risks tied to the implementation of the investment strategy, supporting the achievement of long-term investment returns.

Risk of Status Quo

- Increased levels of operational and financial risk
- Increased manual processes and sub-optimal allocation of staff to high value add activities
- Longer lead times to investment insights and potential impact on returns
- Limited data and technology capabilities to support investment innovation

Attachments

Attachment 1 – Investment Data and Technology Modernization Initiative Presentation

Jennifer Hafner
Initiative Director

Robert Paterson
Investment Director

Stephen Gilmore
Chief Investment Officer