CalPERS

Investment Committee

Agenda Item 7b

November 16, 2026

Item Name: Total Fund Portfolio Management Annual Program Review

Program: Total Fund

Item Type: Information

Executive Summary

This agenda item provides the Investment Committee of the CalPERS Board of Administration (Committee) with information on the Total Fund Portfolio Management program, including its role in managing the overall portfolio, liquidity risk, and business objectives.

Strategic Plan

This agenda item supports the CalPERS Strategic Plan Goal – Pension Sustainability – to strengthen the long-term sustainability of the pension by supporting the Committee in its oversight role for CalPERS' investment program.

Investment Beliefs

This agenda item supports many of CalPERS' Investment Beliefs, including:

- Investment Belief 1: Liabilities must influence the asset structure.
- Investment Belief 5: CalPERS must articulate its investment goals and performance measures and ensure clear accountability for their execution.
- Investment Belief 6: Strategic asset allocation is the dominant determinant of portfolio risk and return.
- Investment Belief 9: Risk to CalPERS is multi-faceted and not fully captured through measures such as volatility or tracking error.

Background

On an annual basis, investment office programs report out and update the Committee on their activities, performance, and initiatives. This presentation covers fiscal year 2025-26's activities.

Analysis

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

- An overview of the Total Fund Portfolio Management program area

- Current observations on the markets and the funding environment
- Program updates and key initiatives

Budget and Fiscal Impacts

Not Applicable

Benefits and Risks

Not Applicable

Attachments

Attachment 1 – Total Fund Portfolio Management Annual Program Review

Attachment 2 – Consultant Total Fund Portfolio Management Program Review (Wilshire Associates)

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