

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

### A. GENERAL INFORMATION

1. Date

May 6, 2025

2. Department

California Public Employees Retirement System

3. Organizational Placement (Division/Branch/Office Name)

Legal Office

4. CEA Position Title

Associate General Counsel

5. Summary of proposed position description and how it relates to the program's mission or purpose.  
(2-3 sentences)

CalPERS proposes to allocate the Associate General Counsel (AGC) position to the CEA category. The AGC will oversee the Investment, Contract Operations, and Information Security functions, providing executive-level leadership in the development, implementation, and management of policies related to contracting, investment compliance, information security, and solicitations. This position will manage complex and sensitive legal matters, ensure compliance with state and federal laws, and provide strategic legal advice to executive leadership, the CalPERS Board, and various divisions. The AGC will serve as a strategic advisor to the Investment Committee and its subcommittees, ensuring investments comply with the Board's policies and delegated authority. The AGC will also oversee legal matters related to the negotiation and documentation of investment transactions, service and consultant contracts, and software licenses. The AGC will also supervise legal work related to contracting, solicitations, and information security, including compliance with state regulations and the management and mitigation of information security risks. This position is critical to mitigating legal risks, safeguarding organizational operations, and advancing CalPERS' mission to deliver retirement and health benefits with excellence, integrity, and sustainability.

6. Reports to: (Class Title/Level)

Deputy General Counsel

7. Relationship with Department Director (Select one)

- ☐ Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- ☒ Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

The Associate General Counsel provides high-level legal oversight, strategic direction, and expert legal advice to support the organization's mission of delivering retirement and health benefits to its members. This position provides strategic direction on the development, implementation, and management of legal policies and operations related to Contract Operations, Information Security, and to executive leadership, the CalPERS Board of Administration, including the Investment Committee and its subcommittees, the Finance and Administration Committee, and the Risk and Audit Committee, and various divisions.

8. Organizational Level (Select one)

☐ 1st ☐ 2nd ☐ 3rd ☒ 4th ☐ 5th (mega departments only - 17,001+ allocated positions)

## B. SUMMARY OF REQUEST

### 9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The duties and responsibilities of an Associate General Counsel (AGC) at CalPERS focus on providing high-level legal oversight, strategic direction, and expert legal advice to support the organization's mission of delivering retirement and health benefits to its members with excellence, integrity, and sustainability. The AGC plays a critical role in advancing this mission by overseeing the Contract Operations, Information Security, and Investment functions, ensuring compliance with state and federal laws, managing complex legal matters, and providing sound legal guidance to executive leadership, the CalPERS Board, and various divisions. By aligning legal strategies with CalPERS' mission and vision, the AGC helps safeguard the organization's operations and supports its commitment to serving members and stakeholders effectively.

Serves as a high-level managerial leader within CalPERS, providing strategic oversight in the development, implementation, and management of legal policies and operations related to Contract Operations, Information Security, and Investments. Through two subordinate Assistant Chief Counsels, the AGC oversees legal work across these functions, ensuring the delivery of timely, accurate, and high-quality legal services. The AGC advises executive leadership and the CalPERS Board of Administration, including the Investment Committee and its subcommittees, the Finance and Administration Committee, and the Risk and Audit Committee on complex and sensitive legal issues. The AGC offers innovative solutions to manage and mitigate risks, ensure compliance with state and federal laws, and support organizational objectives. The AGC represents the Legal Office at Board and Committee meetings, preparing and reviewing agenda items to ensure alignment with organizational priorities. The AGC advises the Investment Committee on legal matters related to private equity investments, securities litigation, and compliance with responsible contractor policies, ensuring informed decision-making and alignment with fiduciary duties.

The AGC plays a critical role in developing and implementing policies related to investment compliance, contracting, and information security. This includes overseeing policies that govern investment transactions, service and consultant contracts, and information security protocols. The AGC ensures policies are applied consistently across CalPERS operations and align with state and federal regulations. The AGC develops policies to address emerging information security risks, ensuring CalPERS' information security practices comply with state regulations and protect sensitive data.

The AGC provides high-level legal oversight for investment transactions, contract and solicitation matters, and information security compliance. This includes supervising legal strategies for negotiating contracts, documenting investment transactions, and addressing solicitation-related issues. The AGC coordinates with the Attorney General's Office and outside counsel on high-profile cases and disputes. The AGC oversees legal strategies for infrastructure investments, ensuring compliance with investment policies and mitigating risks associated with complex transactions.

The AGC supervises, mentors, and develops the Assistant Chief Counsels and provides leadership guidance to ensure the effective management of subordinate staff across the Contract Operations, Information Security, and Investment Section. The AGC conducts performance evaluations, provides constructive feedback, and implements professional development plans to enhance leadership capabilities. The AGC ensures the timely completion of probation reports and annual appraisals, addressing performance issues with clear improvement plans when necessary. The AGC mentors the Assistant Chief Counsel on strategies for high-stakes investment disputes, ensuring alignment with organizational priorities and legal standards.

Serves as CalPERS' representative at national and state-level forums, such as the National Association of Public Pension Attorneys and the California Association of Public Retirement Systems. The AGC advocates for issues affecting public pension funds, contracting practices, and information security compliance, while building and maintaining strong relationships with internal and external stakeholders. The AGC represents CalPERS at a national conference on public pension investments, sharing best practices and addressing legal challenges related to investment compliance.

The AGC is responsible for the development and execution of strategic initiatives related to Investments, Contract Operations, and Information Security, promoting a culture of continuous learning and improvement within the Legal Office. The AGC stays abreast of legal developments affecting public pension funds, contracting laws, and information security compliance by attending continuing education and training programs, ensuring the team remains at the forefront of legal and regulatory advancements. The AGC leads a cross-functional initiative to streamline contract processes, reducing turnaround times and improving compliance with state laws and regulations.

The Associate General Counsel is a critical leadership position within CalPERS, responsible for overseeing legal matters related to Contract Operations, and Information Security, and Investments, providing expert legal guidance, and driving strategic initiatives that align with the organization's mission and vision.

**B. SUMMARY OF REQUEST (continued)**

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- ☒ Program is directly related to department's primary mission and is critical to achieving the department's goals.
- ☐ Program is indirectly related to department's primary mission.
- ☐ Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The Contract Operations, Information Security, and Investment functions are directly related to CalPERS' primary mission of delivering retirement and health benefits to its members with excellence, integrity, and sustainability. These functions ensure compliance with state and federal laws, manage and mitigate legal risks, and provide high-quality legal representation and advice to the CalPERS Board, CalPERS leadership, and its various divisions. By overseeing investment transactions, contract matters, and information security compliance, this program safeguards the organization's financial stability, protects sensitive information, including member data, and ensures the integrity of operations that support CalPERS' ability to serve over two million members effectively. The program's work is critical to maintaining transparency, accountability, and innovation, which are essential to achieving CalPERS' strategic goals and fulfilling its mission.

## **B. SUMMARY OF REQUEST (continued)**

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

CalPERS is requesting the addition of two Associate General Counsel (AGC) positions to join the existing AGC, with all three reporting to the Deputy General Counsel, to enable the effective distribution of supervision of legal work and personnel by subject areas of law and expertise. The new AGC positions will directly participate in policy development within their respective areas of expertise. For this role, the focus will be on Contract Operations, Information Security, and Investment functions while the Deputy General Counsel will retain overall responsibility for policies that impact CalPERS as a whole.

This request for two additional AGC positions is driven by the increasing workload and complexity of legal matters related to Contract Operations, Information Security, and Investments as well as evolving organizational demands that require specialized leadership to ensure compliance with state and federal laws. Recent changes, including new legislative mandates, regulatory updates, and heightened scrutiny of public pension systems, have significantly expanded CalPERS' legal responsibilities. For example, mandates related to transparency, accountability, and information security have added layers of complexity to investment transactions, contracting and procurement processes, and information security compliance. These changes have strained CalPERS' ability to manage these functions effectively within its current structure, creating a need for a dedicated AGC to oversee these areas.

The growing complexity of investment-related legal issues – including negotiating and documenting transactions, monitoring corporate bankruptcies, and ensuring compliance with the Board's investment policies – requires strategic oversight to mitigate risks and safeguard CalPERS' financial stability. Similarly, the increasing demand for legal support in contract matters, such as reviewing complex terms and conditions, information security addenda, non-disclosure agreements (NDAs), and solicitations/requests for proposals (RFPs), necessitates specialized leadership to ensure compliance with state laws, regulations and organizational policies. Additionally, the rise in information security threats has created a need for focused legal guidance to develop and implement policies that protect sensitive information and align with state and federal standards.

The creation of this AGC positions will provide the leadership necessary to oversee the Contract Operations, Information Security, and Investment functions, ensuring the efficient and accurate delivery of legal services in alignment with CalPERS' mission and strategic goals. This role will enhance coordination of legal strategies across these areas, improve compliance with applicable laws and regulations, and strengthen CalPERS' ability to address complex and high-stakes legal matters. Furthermore, the AGC will play a critical role in advising executive leadership and the CalPERS Board on sensitive legal issues, supporting informed decision-making and effective risk mitigation.

This request reflects the need to address the increasing workload and complexity of legal matters, ensure compliance with evolving laws and regulations, and provide high-quality legal services to support CalPERS' mission. By aligning with CalPERS' strategic priorities, the AGC positions will equip the organization to effectively manage its growing legal responsibilities and maintain its commitment to excellence, integrity, and sustainability.

## C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The Associate General Counsel (AGC) for Contract Operations, Information Security, and Investments will serve as the principal policy maker in several critical legal and operational areas that directly impact CalPERS' ability to fulfill its mission of delivering retirement and health benefits to over two million members. The policies developed and implemented by the AGC will have significant statewide implications, influencing the operations of the largest defined-benefit public pension fund in the United States and setting standards for other public agencies across California. Below are specific examples of policy areas over which the AGC will be the principal policy maker:

### Key Policy Areas:

#### 1. Contracting and Solicitation Policies

The AGC will assist the Operation Support Services Division (OSSD) with the development and enforcement of policies governing contracting and solicitation processes, including the legal review of contract terms and conditions, non-disclosure agreements (NDAs), and requests for proposals (RFPs). The AGC will also assist in the development and enforcement of policies for the solicitation, selection, and oversight of non-investment outside counsel contracts. These policies will ensure compliance with state contracting laws, identify and mitigate risks, and streamline operations to improve efficiency and accountability.

#### 2. Cybersecurity and Information Security Policies

The AGC will assist the Information Security Office with the development and enforcement of policies to address emerging information security risks and ensure compliance with state and federal information security regulations. These policies will govern the protection of sensitive data, e.g., member data, vendor agreements, and legal strategies for identifying and mitigating information security threats.

#### 3. Investment Compliance Policies

The AGC will assist the Investment Office with the development and enforcement of policies ensuring that CalPERS' investment transactions comply with the Board's investment policies, delegated authority, and applicable state and federal laws. These policies will govern the negotiation and documentation of investment transactions, service and consultant contracts, and software licenses. The AGC will also establish policies for monitoring corporate bankruptcies and identifying and addressing legal risks associated with investment portfolios.

#### 4. Legal Oversight of Investment Advisors and Outside Counsel

The AGC will assist the Investment Office with the development and enforcement of policies for the solicitation, selection, and oversight of investment advisors, Board consultants, and outside counsel. These policies will ensure that external advisors and counsel meet CalPERS' legal and ethical standards, provide high-quality services, and align with the organization's strategic goals.

#### 5. Bankruptcy and Financial Risk Mitigation Policies

The AGC will assist the Investment Office with the development and enforcement policies for monitoring corporate bankruptcies and identifying and addressing legal risks associated with investment portfolios. These policies will guide CalPERS' approach to protecting its investments in distressed companies and mitigating financial losses.

#### 6. Public Records Act (PRA) Compliance Policies

The Associate General Counsel (AGC) will assist the Investment Office, IT, and OSSD with the development and enforcement of policies ensuring compliance with the California Public Records Act (PRA) specifically related to investment transactions, contracts and procurement, and information security. These policies will establish clear guidelines for responding to PRA requests in a timely and accurate manner while balancing transparency with the protection of sensitive information, such as member data, proprietary investment strategies, confidential procurement details, and information security protocols. The AGC will ensure that PRA compliance aligns with state laws and organizational priorities, mitigating legal risks and safeguarding CalPERS' operational integrity.

### Statewide Impact:

The policies developed and enforced by the AGC will have significant implications, influencing investment compliance, procurement practices, cybersecurity resilience, and financial risk management. By ensuring compliance, identifying and mitigating risks, and promoting transparency, the AGC will help safeguard public assets, protect sensitive information, and set standards for best practices that benefit taxpayers, public employees, and retirees statewide.



## **C. ROLE IN POLICY INFLUENCE (continued)**

### **13. What is the CEA position's scope and nature of decision-making authority?**

The Associate General Counsel (AGC) oversees the Contract Operations, Information Security, and Investment functions and is responsible for making critical decisions in areas such as investment compliance, procurement and contracting, information security risk identification and mitigation, and overall legal strategy. The AGC has the authority to develop and implement policies, provide legal advice to executive leadership and the CalPERS Board, and make strategic decisions on complex and sensitive legal matters that have significant organizational and statewide implications.

The AGC's decision-making authority includes:

**Contracting and Solicitation Compliance:** The AGC makes decisions on contract-related legal matters, including the review and approval of contract terms and conditions, non-disclosure agreements (NDAs), and solicitations/requests for proposals (RFPs). The AGC ensures that contract and solicitation processes align with state regulations and organizational policies, mitigating risks and promoting accountability.

**Cybersecurity and Information Security:** The AGC develops and implements legal strategies and policies to address cybersecurity risks and ensure compliance with state and federal information security regulations. This includes decisions on vendor agreements, data protection measures, and responses to emerging cybersecurity threats.

**Investment Oversight:** The AGC determines legal strategies for investment transactions, evaluates legal risks, and provides oversight for the negotiation and documentation of investment agreements, service and consultant contracts, and software licenses. This includes decisions on compliance with the Board's investment policies, delegated authority, and applicable state and federal laws.

**Policy Development:** The AGC has the authority to direct, develop, and implement policies related to investment compliance, contracting, and information security. These policies directly influence CalPERS' operations and set standards for other public agencies by promoting transparency, accountability, and legal compliance.

**Advisory Role:** The AGC provides legal advice and recommendations to the CalPERS Board, executive leadership, and senior management on complex legal issues. This includes advising on the legal implications of proposed policies, investment decisions, procurement strategies, and regulatory changes.

The AGC's decisions have a significant impact on CalPERS' operations, financial stability, and reputation. By ensuring compliance with laws, mitigating legal risks, and providing sound legal guidance, the AGC supports CalPERS' mission and safeguards its ability to deliver sustainable retirement and health benefits. The AGC's authority extends across multiple divisions and directly influences the organization's strategic direction, operational success, and statewide leadership in public pension fund management.

### **14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?**

The Associate General Counsel (AGC) position will be responsible for both developing and implementing new policies, as well as interpreting and implementing existing policies. This dual role is critical to ensuring CalPERS' compliance with state and federal laws, mitigating legal risks, and supporting the organization's mission of delivering retirement and health benefits to its members with excellence, integrity, and sustainability.

#### **Interpreting and Implementing Existing Policies:**

The AGC will ensure the consistent application and enforcement of existing policies by providing legal guidance and defending policies through contract negotiations, solicitations and defending bid protests. This includes addressing legal challenges to current policies and ensuring they remain aligned with legal standards and organizational objectives.

#### **Developing and Implementing New Policies:**

The AGC will develop and implement new policies in response to changing circumstances, legislative updates, and technological advancements. For example, new policies may address emerging issues such as cyber threats (e.g., malware, ransomware, cloud vulnerabilities, and phishing/social engineering), telework, or the use of Artificial Intelligence in subject matter areas overseen by the AGC. These policies will ensure CalPERS remains adaptable, forward-thinking, and compliant with evolving legal and operational needs.

By balancing the interpretation and implementation of existing policies with the development of new ones, the AGC will play a vital role in advancing CalPERS' strategic goals, maintaining compliance, and ensuring the organization remains responsive to legal, technological, and regulatory developments.