



Investment Committee

Item Number 3c – Open Session

Subject: Receive Private Equity Semi-Annual Performance Report, Period Ending September 30, 2023

Presenter(s): Meketa Investment Group

Item Type: Information

Date & Time: March 6, 2024 – 15 minutes

Attachment(s): Attachment 1 – Meketa Investment Group’s Q3 2023 Semi-Annual Performance Report Summary for the Private Equity Program

PowerPoint(s): Meketa Investment Group’s Q3 2023 Semi-Annual Private Equity Program Review for Open Session

Item Purpose

This item is required and governed under the reporting guidelines of the CalSTRS Private Equity Investment Policy and is a crucial part of the Investment Committee’s annual work plan. The report is critical to the monitoring and oversight responsibility of the Investment Committee.

Recommendation

Staff recommends that, upon the oral report from Meketa Investment Group (Meketa), the Investment Committee receive the report for the record.

Executive Summary

Due to the specialized nature of this asset class, the Investment Committee has retained a specialty consultant, Meketa Investment Group (Meketa), who prepared a summary (Attachment 1) and a [written report](#). While the report includes one-year returns, as a long-term investor coupled with the long-term nature of the asset class, the Investment Committee is encouraged to focus on the ten, five, and three-year results because they are more indicative of the performance trend of the underlying portfolio. One-year results are less insightful in an asset class where the typical holding period for a portfolio company is four to five years.

- Meketa, the Investment Committee’s Private Equity Consultants, will present an oral report highlighting key issues across the CalSTRS Private Equity Portfolio.
- The portfolio data in the report is prepared by State Street Bank’s Alternative Investment Solutions Group with input from Meketa; it is fully customizable to meet the Investment Committee’s needs.
- Meketa will use this opportunity to alert the Committee of any areas of concern, needed policy revisions, or issues that warrant further review.

Background

On a semi-annual basis, the Private Equity Consultant reviews the performance report for the CalSTRS Private Equity Portfolio. Due to the nature of the investments and the timing of partnership reporting, this report is lagged and therefore covers periods ending September 30, 2023. The semi-annual reporting packet has been condensed to align with the new investment reporting guidelines approved in June 2016.

Board Policy Linkage: [CalSTRS Private Equity Investment Policy](#)
