



FIONA MA, CPA
TREASURER
STATE OF CALIFORNIA

June 26, 2023

Marcie Frost
Chief Executive Officer, CalPERS
400 Q Street, Room 1820
Sacramento, CA 95811

Marcie,

As California State Treasurer and a member of the CalPERS Board of Administration, I am extremely concerned about the recent disclosure of a serious data breach that has compromised the personal information of nearly 800,000 CalPERS retirees and beneficiaries.

While it appears that member retirement benefits are not at risk, those affected may be now be especially vulnerable to identity theft and other fraudulent activity. As you know well, many of our retirees earn modest retirement checks - an average of \$41,000 a year for CalPERS retirees - and are on fixed incomes. Putting hundreds of thousands of retirees in this position is simply unacceptable!

Given the gravity of this situation, and to learn more about this incident, I respectfully request that you call for special meeting of the CalPERS Board of Administration at the earliest opportunity.

During this meeting the board should have an opportunity to receive a thorough briefing from staff, including a full accounting of the timeline of events, staff's actions once the breach was detected, current data security measures and protocols, and plans to prevent these types of intrusions in the future. I would also like to know if there are discussions about CalPERS' continued partnership with PBI Research Services. It is my understanding that attacks on PBI Research Services may have happened as far back as May. I would like to know if CalPERS staff was made aware of these attacks and if so, what actions were taken in response. Lastly, I would like to know if CalPERS has been made aware of any member reports of fraud in connection to the breach.

I am glad to see that CalPERS has provided dedicated resources to members and that they will be given access to credit monitoring services. I hope members and the public continue to be updated on this situation as it develops.

Please contact me or my office if you have any questions about this request or to discuss further.

In Peace & Friendship,

A handwritten signature in black ink, appearing to be 'Fiona Ma', with a stylized, flowing script.

FIONA MA, CPA
California State Treasurer