STATE OF CALIFORNIA
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

DELEGATION OF AUTHORITY

Subject: Chief Auditor, Office of Audit Services **Delegation No.: OFAS-10-01**

Pursuant to the Delegation Resolution (Delegation No. EXEC-95-101, as revised on March 18, 2009) from the California Public Employees' Retirement System (CalPERS) Board of Administration (the "Board"), the Chief Executive Officer (CEO) hereby delegates to the Chief, Office of Audit Services, authority to act for CalPERS, and to act finally, with respect to any and all matters within the responsibilities of the CEO listed below. These responsibilities include:

1. Managing the Office of Audit Services;

2. Directing the administration of all units and functions under the organizational authority of the Chief Auditor;

3. Assessing, and recommending changes as appropriate, the integrity of CalPERS financial control and reporting systems;

4. Presenting the Annual Audit Plan to the Finance Committee and overseeing its completion;

5. Performing all audit functions with independence and in conformance with professional standards;

6. Setting project frequencies, selecting audit entities, determining scopes of work, and applying the techniques necessary that accomplish CalPERS audit objectives;

7. Having full, free and unrestricted access to all of CalPERS functions, records, files and information systems, personnel, contractors, physical properties, rental locations, and any other item relevant to the function, process or business unit under review;

8. In coordination with the General Counsel, having authority to review and approve any modifications of CalPERS standard audit language enabling CalPERS internal auditors and other auditors and specialists to have access to relevant records and information held by CalPERS contractors or third-party administrators;

9. Having free and unrestricted access to the Chairman of the Finance Committee, the Finance Committee, and the President of and members of the Board of Administration, subject to applicable State and Federal laws;

10. Having free and unrestricted access to the Chief Executive Officer, other executives, management, staff, contractors and vendors of CalPERS, and employers, members, retirees and beneficiaries of CalPERS;

11. Having free and unrestricted access to information to CalPERS health plan contractors, including claims information, subject to applicable State and Federal laws;

12. Ensuring that plans and policies are implemented that achieve program objectives and provide for efficient and effective operations within the resources and fiscal limits set by the Board;

13. Presenting any potential issues regarding impairment of independence and/or conflicts of interest and their mitigation(s) to the Finance Committee annually; and

14. Reporting to the CEO and the General Counsel all significant action the Chief, Office of Audit Services has taken under this delegation of authority, and provide other periodic reports at such time and in such form as the CEO or the General Counsel may require.

This delegation shall be exercised in accordance with the policy parameters established by the Board.

The authority delegated hereby may be exercised personally, or by subordinates, whose authorizations shall be in writing.

STATE OF CALIFORNIA
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

DELEGATION OF AUTHORITY

ACCEPTANCE OF DELEGATION

Subject: Chief Auditor, Office of Audit Services **Delegation No.: OFAS-10-01**

This delegated authority is expressly subject to the same fiduciary standards of loyalty and care as are contained within the authority delegated to me from the Board of Administration (Delegation No. EXEC-95-101, as revised on March 18, 2009). All previously dated delegations in this regard are rescinded.

DATE: 5/18/10

ANNE STAUSBOLL
CHIEF EXECUTIVE OFFICER
CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

I understand and accept this delegation.

DATE: 8/11/2010

MARGARET JUNKER, CHIEF AUDITOR
OFFICE OF AUDIT SERVICES
CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM