



## **Agenda Item 5**

May 15, 2012

**ITEM NAME:** Third Quarter Status Reports on Performance Plans of the Chief Executive Officer and Chief Investment Officer

**PROGRAM:** Administration

**ITEM TYPE:** Action

### **RECOMMENDATION**

Approve Third Quarter Status Reports on Performance Plans of the Chief Executive Officer and Chief Investment Officer

### **EXECUTIVE SUMMARY**

This agenda item presents for consideration, the Third Quarter status reports for the 2011-12 fiscal year, for the Chief Executive Officer and Chief Investment Officer.

### **BACKGROUND**

The Compensation Policies and Procedures provide that, following the end of each quarter in the fiscal year, executives will prepare short status reports on their respective performance plans for the Performance and Compensation Committee.

### **ANALYSIS**

Attached are the status reports for the third quarter of the 2011-12 Fiscal Year (January 1 - March 31) for the Chief Executive Officer and Chief Investment Officer.

This agenda item supports Goal III of the Strategic Plan, furthering CalPERS' commitment to sustaining a high performance work culture. This can be accomplished at the highest executive levels through the establishment of methods that provide broad flexibility in the recruitment, retention and compensation of key personnel.

The establishment of performance plan measures is critical to the management of a competitive compensation program for executives at the highest levels of the organization. This, in turn, is critical to the success of the organization. The cost of performance awards that might arise from the recommendations in this item will be funded from existing resources.

**BENEFITS/RISKS**

If the quarterly status reports on the 2011-12 performance plans of the covered positions are not accepted, the associated risk would be non-compliance with the policy-required submission of quarterly reports to the Board.

**ATTACHMENTS**

Third Quarter Status Reports are attached in the following order:

1. Chief Executive Officer
2. Chief Investment Officer

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KATRINA S. HAGEN, Chief  
Human Resources Division

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RUSSELL G. FONG  
Acting Chief Financial Officer