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**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
FINANCE & ADMINISTRATION COMMITTEE**

**MINUTES OF MEETING**

**October 15, 2012**

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The Finance & Administration Committee met on October 15, 2012, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 3:50 p.m. and the following members were present:

George Diehr, Chair  
Richard Costigan, Vice Chair  
Ralph Cobb for Julie Chapman  
Terry McGuire for John Chiang  
JJ Jelincic  
Henry Jones  
Robert Biegler for Bill Lockyer

Other Board Member(s):

Priya Mathur  
Bill Slaton

**AGENDA ITEM 2 – EXECUTIVE REPORT**

Russell Fong, Acting Chief Financial Officer, presented the oral report to the Committee as an information item.

**AGENDA ITEM 3 – ACTION CONSENT ITEMS**

Mr. Fong presented the Action Consent Items to the Committee for approval.

On **MOTION** by Richard Costigan, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items with the amendment to the September 11, 2012, Meeting Minutes.

#### **AGENDA ITEM 4 – INFORMATION CONSENT ITEMS**

The Committee accepted the Information Consent Items as presented.

#### **AGENDA ITEM 5a – STANDARD CONTRACT TERMS AND CONDITIONS MODIFICATIONS**

Douglas Hoffner, Deputy Executive Officer, Operations and Technology, and Kim Malm, Chief, Operations Support Services Division, presented staff's recommended modifications to the Committee as an action item.

On **MOTION** by Robert Biegler, **SECONDED** and **CARRIED**, the Committee recommended that the Board approve staff's recommendation to modify three of seventy-five current standard Contract Terms and Conditions: Indemnification, Unlimited Liability, and Fiduciary Responsibility, based upon the completion and approval of the Risk Assessment Worksheet for contracts deemed to be low or medium risk.

#### **AGENDA ITEM 6a – 2012-2014 BUSINESS PLAN ALIGNMENT WITH THE 2012-2017 STRATEGIC PLAN**

Mr. Hoffner and Sean Tracy, Chief, Enterprise Strategy and Performance Division, presented details on staff's continuing efforts to ensure the alignment of the 2012-2014 Business Plan and the 2012-2017 Strategic Plan to the Committee as an information item.

#### **AGENDA ITEM 7a – FISCAL YEAR 2011-12 FOURTH QUARTER DELINQUENCY REPORT**

Mr. Fong and Dave Cornejo, Acting Division Chief, Fiscal Services Division, presented the quarterly report to the Committee as an information item.

#### **AGENDA ITEM 7b – CURRENT BUDGET ISSUES**

Rose Vellanoweth, Budget Officer, Fiscal Services Division, updated the Committee on staff's work with the Department of Finance in developing the CalPERS 2013-14 Baseline Budget, as well as the budgets for judges' retirement, legislators' retirement, and health and dental benefits for State retirees.

#### **AGENDA ITEM 7c – CURRENT FINANCIAL REPORTING ISSUES**

Mr. Cornejo informed the Committee that CalPERS received the Distinguished Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the 2010-11 Annual Financial Report.

**AGENDA ITEM 8 – PUBLIC COMMENT**

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 4:17 p.m.

The next Finance & Administration Committee meeting is scheduled for November 14, 2012, in Sacramento, California.

Date: \_\_\_\_\_

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RUSSELL G. FONG  
ACTING CHIEF FINANCIAL OFFICER