



California Public Employees' Retirement System  
P.O. Box 942701  
Sacramento, CA 94229-2701  
(888) CalPERS (or 888-225-7377)  
TTY: (877) 249-7442  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

Reference No.:  
Circular Letter No.: 310-012-13  
Distribution: I, IIA, IV, V, VI, X, XII  
Special:

## Circular Letter

March 8, 2013

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS  
AND OTHER INTERESTED PARTIES

SUBJECT: MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION, ITS  
COMMITTEES AND ADVISORY PANELS

The CalPERS Board of Administration, its Committees and Advisory Panels are scheduled to meet on the following days in March. All meetings are held in public session unless otherwise noted.

### Board of Administration

Date and Time: Monday, March 18, 2013, 9:00 a.m.

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board will meet in closed session to discuss personnel, performance, and employment matters pursuant to Government Code sections 11126(a)(1) and 11126(g)(1).

### Investment Committee

Date and Time: Monday, March 18, 2013, 10:00 a.m., or upon adjournment or recess of the Board of Administration closed session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Committee will meet in closed session to discuss personnel and investment matters pursuant to Government Code sections 11126(a)(1) and (c)(16).

### Investment Committee Workshop

Date and Time: Monday, March 18, 2013, 10:30 a.m., or upon adjournment or recess of the Investment Committee closed session, whichever is later

Location: Room 1140, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Committee members will attend an Investment Beliefs Stakeholder Panel Workshop

### Investment Committee

Date and Time: Monday, March 18, 2013, 11:30 a.m., or upon adjournment or recess of the Investment Committee Workshop, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recess of the open session to consider investment matters pursuant to Government Code section 11126(c)(16) and litigation matters pursuant to section 11126(e).

### Finance and Administration Committee

Date and Time: Monday, March 18, 2013, 3:00 p.m., or upon adjournment or recess of the Investment Committee, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Pension and Health Benefits Committee

Date and Time: Tuesday, March 19, 2013, 8:30 a.m

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The committee will meet in closed session to discuss health plan contract negotiations pursuant to Government Code section 11126(c)(17).

Pension and Health Benefits Committee

Date and Time: Tuesday, March 19, 2013, 10:30 a.m., or upon adjournment or recess of the Pension and Health Benefits Committee closed session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recess of the open session to discuss health plan negotiations pursuant to Government Code section 11126(c)(17).

Board of Administration

Date and Time: Wednesday, March 20, 2013, 8:00 a.m.

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board will meet in closed session to discuss personnel, performance, and employment matters pursuant to Government Code sections 11126(a)(1) and 11126(g)(1).

Risk and Audit Committee

Date and Time: Wednesday, March 20, 2013, 8:45 a.m., or upon adjournment or recess of the Board of Administration closed session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recess of the open session to discuss personnel matters pursuant to Government Code sections 11126(a)(1) and (g)(1)).

Board of Administration

Date and Time: Wednesday, March 20, 2013, 9:00 a.m., or upon adjournment or recess of the Risk and Audit Committee, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board may adjourn into closed session to deliberate on any Proposed Decision(s) or Petition(s) for Reconsideration. A closed session will be held upon adjournment or recess of the open session to discuss litigation matters pursuant to Government Code section 11126(e).

Board members may attend meetings of committees of which they are not members and participate in the discussions during those committee meetings.

The Board would be pleased to have you or representatives of your agency at the public sessions. The facilities are accessible to persons with disabilities. Requests for sign language or captioning services require a minimum of 72 hours' notice. To request service, please call (916) 795-3065 (voice or TTY).

Items scheduled for the public sessions of the meetings are listed on the attached agendas. This information is also available on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). Please contact Cheree Swedensky, at 916-795-3128, with any questions regarding the meetings. Thank you.

ANNE STAUSBOLL  
Chief Executive Officer

Attachment



# Investment Committee

California Public Employees' Retirement System

---

**March 18, 2013**

**10:00 a.m.**

or Upon Adjournment or Recess of the  
Board of Administration Closed Session,  
Whichever is Later

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 P Street  
Sacramento, CA

## **COMMITTEE MEMBERS**

Henry Jones, Chair	Rob Feckner
George Diehr, Vice Chair	JJ Jelincic
Michael Bilbrey	Ron Lind
Julie Chapman	Bill Lockyer
John Chiang	Priya Mathur
Richard Costigan	Bill Slaton
Dan Dunmoyer	

## **MEETING AGENDA**

### **CLOSED SESSION**

10:00 a.m.

Or Upon Adjournment or Recess of Board Closed Session,  
Whichever is Later  
Chief Investment Officer's Briefing on Market and Personnel  
Issues  
(Government Code sections 11126(a)(1) and 11126(c)(16))  
Investment Committee Closed Session with Consultants –  
Investment Strategies

### **OPEN SESSION WORKSHOP**

10:30 a.m.

Or Upon Adjournment or Recess of Closed Session,  
Whichever is Later

LPN 1140

Janine Guillot  
Allan Emkin, Pension  
Consulting Alliance

1. Open Session Workshop
  - a. Investment Beliefs Stakeholder Panel

**OPEN SESSION**  
11:30 a.m.

Or Upon Adjournment or Recess of Open Session  
Workshop, Whichever is Later

1. Call to Order and Roll Call
- Joseph Dear 2. Executive Report – Chief Investment Officer Briefing
- Joseph Dear 3. Consent Items
  - Action Consent Items:**
    - a. Approval of Meeting Minutes
    - b. Revision of the Global Fixed Income Delegation Resolution for Professional Staff
- Joseph Dear 4. Consent Items
  - Information Consent Items:**
    - a. Annual Calendar Review
    - b. Draft Agenda for April 2013 Committee Meeting
    - c. Total Fund Monthly Update
- Action Agenda Items**
  5. Committee Governance
    - Janine Guillot a. Review of Investment Committee Delegation
  6. Organizational Systems & Controls
    - Carol Moody a. Investment Proprietary Software and Subscription Procurement
- Information Agenda Items**
  7. Policy & Delegation
    - Geraldine Jimenez a. Proposed Adoption of the Public Employees' Health Care Fund Policy
    - Ted Eliopoulos b. Proposed Revision of the Real Assets Program Policy
    - Ed Robertiello c. Proposed Revision of the Absolute Return Strategies Program Policy

- |                       |  |
|-----------------------|--|
| Janine Guillot        | 8. Organizational Systems & Controls   |
|                       | a. Investment Office Risk Heat Map and Target Operating Model Refresh  |
| Laurie Weir           | 9. Program Reviews   |
|                       | a. Targeted Investment Programs and Diversity Initiatives Update   |
| Anne Simpson          | b. Global Governance Program Update  |
|                       | 10. Public Comment   |
| <b>CLOSED SESSION</b> | Upon Adjournment or Recess of Open Session, Whichever is Later<br>(Government Code sections 11126(c)(16) and 11126(e) [Item No. 6 only]) |
|                       | 1. Call to Order and Roll Call   |
| Joseph Dear           | 2. Consent Items   |
|                       | <b>Action Consent Items:</b>   |
|                       | a. Approval of Meeting Minutes   |
| Joseph Dear           | 3. Consent Items   |
|                       | <b>Information Consent Items:</b>  |
|                       | a. Closed Session Activity Reports   |
|                       | 1) Status of Action Items Not Yet Reported   |
|                       | 2) Items Completed Under Delegated Authority   |
|                       | 3) Disclosure of Placement Agent Fees:<br>Proposed Investments   |
|                       | 4) Investment Proposal Status Reports  |

### Information Agenda Items

- |   |   |
|---|---|
| Réal Desrochers<br>Tony James,<br>Blackstone  | 4. Program Review<br>a. Private Equity External Manager Presentation  |
| Réal Desrochers<br>Ted Eliopoulos<br>Eric Baggesen<br>John Cole<br>Curtis Ishii<br>Ed Robertiello<br>Eric Baggesen<br>Joseph Dear | 5. External Manager and Significant Activity Updates<br>a. Private Equity<br>b. Real Assets<br>c. Global Equity<br>d. Global Fixed Income Programs<br>e. Absolute Return Strategies Program<br>f. Affiliate Investment Programs<br>g. Opportunistic |

### Action Agenda Item

6. *Cesar Baez vs. CalPERS, et al.*, Superior Court of the State of California for the County of Los Angeles, Case No. BC498010, and potential litigation

### Notes

- 1) Items designated for Information are appropriate for Committee Action if the Committee wishes to take action.
- 2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
- 3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.



# Finance & Administration Committee

California Public Employees' Retirement System

---

**March 18, 2013**

**3:00 p.m.**

Or Upon Adjournment or Recess of the  
Investment Committee,  
Whichever is Later

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 P Street  
Sacramento, CA

## **COMMITTEE MEMBERS**

George Diehr, Chair  
Richard Costigan, Vice Chair  
Julie Chapman  
John Chiang

Henry Jones  
Bill Lockyer  
Bill Slaton

## **MEETING AGENDA**

### **OPEN SESSION**

3:00 p.m.

Or Upon Adjournment or Recess of the Investment  
Committee, Whichever is Later

1. Call to Order and Roll Call

Cheryl Eason

2. Executive Report

Cheryl Eason

3. Consent Items

#### ***Action Consent Items:***

a. Approval of the February 20, 2013, Meeting  
Minutes

Cheryl Eason

4. Consent Items

#### ***Information Consent Items:***

a. Annual Calendar Review

b. Draft Agenda for the April 2013 Committee  
Meeting

c. Assistant Executive Officer's Report on  
Information Technology Activities

d. Quarterly Budget and Expenditure Report



e. Contract Expenditure Report

**Action Agenda Items**

- |                 |  |
|-----------------|--|
|                 | 5. Committee Governance  |
| Cheryl Eason    | a. Review of the Finance & Administration<br>Committee Delegation                |
|                 | 6. Actuarial   |
| Alan Milligan   | a. Governmental Accounting Standards Board<br>(GASB) Statement 68 Implementation |
|                 | 7. Business Planning   |
| Douglas Hoffner | a. 2013-2015 Business Plan (First Reading)                                       |
|                 | 8. Budgets and Financial Reporting   |
| Cheryl Eason    | a. Annual Budget Proposal (First Reading)  |

**Information Agenda Items**

- |               |   |
|---------------|---|
|               | 9. Actuarial  |
| Alan Milligan | a. Annual Review of Pension Plans Funding Levels<br>and Risks |
|               | 10. Budgets and Financial Reporting                           |
| Cheryl Eason  | a. Current Budget and Financial Reporting Issues              |
|               | 11. Public Comment  |

**Notes**

- 1) Items designated for Information are appropriate for Committee Action if the Committee wishes to take action.
- 2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
- 3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.



# Pension & Health Benefits Committee

California Public Employees' Retirement System

---

**March 19, 2013**

**8:30 a.m.**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 P Street  
Sacramento, CA

## COMMITTEE MEMBERS

Priya Mathur, Chair  
George Diehr, Vice Chair  
Michael Bilbrey  
Julie Chapman  
John Chiang

Rob Feckner  
JJ Jelincic  
Henry Jones  
Bill Lockyer

## MEETING AGENDA

### CLOSED SESSION

(Government Code Section 11126(c)(17))

8:30 a.m.

- |                               |   |
|-------------------------------|---|
|                               | 1. Call to Order and Roll Call  |
| Ann Boynton<br>Kathy Donneson | 2. Health Plan Procurement Negotiation Strategy <ul style="list-style-type: none"><li>a. Preferred Provider Organization</li><li>b. Health Maintenance Organization</li></ul> |
| Ann Boynton<br>Doug McKeever  | 3. Health Maintenance Organization Rate Negotiation Strategy  |

### OPEN SESSION

Or Upon Adjournment or Recess of Closed Session,  
Whichever is Later

10:30 a.m.

- |             |                                |
|-------------|--------------------------------|
|             | 1. Call to Order and Roll Call |
|             | 2. Executive Report(s)         |
| Ann Boynton | 3. Consent Items               |

#### ***Action Consent Items:***

- a. Approval of the February 20, 2013, Pension and Health Benefits Committee Meeting Minutes

Ann Boynton

4. Consent Items

***Information Consent Items:***

- a. Annual Calendar Review
- b. Draft Agenda for April 16, 2013, Pension and Health Benefits Committee Meeting
- c. California Employees' Retiree Benefit Trust Update

**Action Agenda Items**

Ann Boynton

5. Committee Governance -- Review Pension & Health Benefits Committee Delegation

Ann Boynton  
Doug McKeever

6. 2013 Federal Health Policy Agenda

Alan Milligan

7. Amortization Periods and Smoothing Methods for Retirement Trust Funds (First Reading)

Ann Boynton  
Kathy Donneson

8. Selection of the Preferred Provider Organization Third-Party Administrator

**Information Agenda Items**

Donna Lum

9. PEPRA Implementation Update

Kathy Donneson  
Bruce Lyons  
CVS Caremark  
Dr. Troy Brennan  
CVS Caremark

10. Update from CVS Caremark

Karen DeFrank  
Geraldine Jimenez

11. Supplemental Income Plans Update and Strategic Review

Doug McKeever  
James DeBenedetti  
Gary McCollum

12. Self-Funded Health Plans Quarterly Report (3<sup>rd</sup>)

13. Public Comment

**Notes**

- 1) Items designated for Information are appropriate for Committee Action if the Committee wishes to take action.
- 2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
- 3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.



# Risk & Audit Committee

California Public Employees' Retirement System

---

**March 20, 2013**

**8:45 a.m.**

or Upon Adjournment or Recess of the  
Board of Administration Committee Closed Session,  
Whichever is Later

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 P Street  
Sacramento, CA

## **COMMITTEE MEMBERS**

JJ Jelincic, Chair  
Priya Mathur, Vice Chair  
Michael Bilbrey  
George Diehr

Rob Feckner  
Ron Lind  
Bill Slaton

## **MEETING AGENDA**

### **OPEN SESSION**

8:45 a.m.

Or Upon Adjournment or Recess of Board of Administration  
Closed Session, Whichever is Later

1. Call to Order and Roll Call
2. Election of the Risk & Audit Committee Chair and Vice Chair

Cheryl Eason

3. Executive Report

Cheryl Eason

4. Consent Items

#### ***Action Consent Items:***

- a. Approval of December 10, 2012, Meeting Minutes

Cheryl Eason

5. Consent Items

#### ***Information Consent Items:***

- a. Annual Calendar Review
- b. Draft Agenda for the June 2013 Committee Meeting

- c. Enterprise Risk Management Division Status Report
- d. Office of Audit Services Quarterly Status Report
- e. Enterprise Compliance Division Status Report
- f. CalPERS Ethics Helpline Report

### **Action Agenda Items**

- |   |  |
|---|--|
| Cheryl Eason                            | 6. Committee Governance -- Review of the Risk & Audit Committee Delegation |
| Margaret Junker                         | 7. Audits  |
| Rick Green, Macias,<br>Gini & O'Connell | a. External Manager Management Letter                                      |
|   | 8. Public Comment  |

### **CLOSED SESSION**

Or Upon Adjournment or Recess of Open Session  
(Gov. Code sections 11126(a)(1) and (g)(1))

- 1. Call to Order and Roll Call
- 2. Consent Items

#### ***Action Consent Items:***

- a. Approval of December 10, 2012, Meeting Minutes

- |                 |  |
|-----------------|--|
| Margaret Junker | 3. Personnel, Employment and Performance – Chief Auditor |
|-----------------|--|

- |               |   |
|---------------|---|
| Kathleen Webb | 4. Personnel, Employment and Performance – Chief Officer of Risk, Compliance and Ethics |
|---------------|---|

### **Notes**

- 1) Items designated for Information are appropriate for Committee Action if the Committee wishes to take action.
- 2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
- 3) Public comment may be taken on any Agenda Item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Committee Chair.



# Board of Administration

California Public Employees' Retirement System

---

**March 20, 2013**

**8:00 a.m.**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 P Street  
Sacramento, CA

## **BOARD MEMBERS**

Rob Feckner, President  
George Diehr, Vice President  
Michael Bilbrey  
Julie Chapman  
John Chiang  
Richard Costigan  
Dan Dunmoyer

JJ Jelincic  
Henry Jones  
Ron Lind  
Bill Lockyer  
Priya Mathur  
Bill Slaton

## **MEETING AGENDA**

### **CLOSED SESSION**

8:00 a.m.

Chief Executive Officer's Briefing on Performance,  
Employment, and Personnel Issues  
**(Gov. Code sections 11126(a)(1) and (g)(1))**

### **OPEN SESSION**

9:00 a.m.

Or upon adjournment or recess of the Risk and Audit  
Committee, Whichever is Later

Rob Feckner

Anne Stausboll

Joe Dear

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Board President's Report
4. Executive Reports
  - a. Chief Executive Officer's Report (Oral)
  - b. Chief Investment Officer's Report (Oral)

Rob Feckner

5. Consent Items

**Action Consent Items:**

- a. Approval of Meeting Minutes
- b. Board Travel Approvals
- c. Proposed Decisions of Administrative Law Judge
  - 1. Scott Shirk
  - 2. Jesus Escanuela
  - 3. Gary Cooper
  - 4. Nadine P. Levin/City of Mountain View
  - 5. Melinda A. Tackitt

Rob Feckner

6. Consent Items

**Information Consent Items:**

- a. Board Meeting Calendar
- b. Draft Agenda for April 2013 Meeting
- c. General Counsel's Report

7. Committee Reports and Actions

Henry Jones

Priya Mathur

George Diehr

Dan Dunmoyer

JJ Jelincic

Rob Feckner

- a. Investment Committee (Oral)
- b. Pension and Health Benefits Committee (Oral)
- c. Finance and Administration Committee (Oral)
- d. Performance, Compensation & Talent Management Committee (Oral)
- e. Risk and Audit Committee (Oral)
- f. Board Governance Committee (Oral)

**Information Agenda Items**

Robert Glazier

Tom Lussier

Lussier, Gregor,

Vienna & Associates

8. External Affairs/State and Federal Legislation

9. Public Comment

**CLOSED SESSION**

(Gov. Code section  
11126(e))

Peter Mixon

10. In re: City of Stockton (U.S. Bankruptcy Court, Eastern District of CA, No. 12-32118); In re: City of San Bernardino (U.S. Bankruptcy Court, Central District of CA, No. 2-BK-28006); and potential bankruptcy litigation

**Notes**

- 1) Items designated for Information are appropriate for Board Action if the Board wishes to take action. Any Agenda Item from a properly noticed Committee meeting held immediately prior to this Board meeting may be considered by the Board.
- 2) The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.
- 3) Public comment may be taken on any agenda item. There is a 3-minute limitation on each public comment, unless otherwise directed by the Board President.
- 4) The Board may adjourn into Closed Session to deliberate on any Proposed Decision(s) or Petition(s) for Reconsideration.