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

PERFORMANCE, COMPENSATION & TALENT MANAGEMENT COMMITTEE

MINUTES OF MEETING

February 19 & 20, 2013

The Performance, Compensation & Talent Management Committee met on Tuesday, February 19, 2013, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 5:25 p.m. the following members were present:

Dan Dunmoyer, Chair
Michael Bilbrey, Vice Chair
Darlene Schell for Julie Chapman
Terry McGuire for John Chiang
Richard Costigan
Pam Milliron for Bill Lockyer

Excused:

Ron Lind

Other Board Members present:

Rob Feckner
JJ Jelincic

AGENDA ITEM 2 – ELECTION OF THE PERFORMANCE, COMPENSATION & TALENT MANAGEMENT COMMITTEE CHAIR AND VICE CHAIR

Michael Bilbrey called for nominations for the Chair of the Performance, Compensation & Talent Management Committee. Richard Costigan nominated Dan Dunmoyer. No further nominations were made.

On **MOTION** by Terry McGuire, **SECONDED** by Richard Costigan and **CARRIED**, the Committee elected Dan Dunmoyer as Chair of the Performance, Compensation & Talent Management Committee by acclamation.

Dan Dunmoyer called for nominations for the Vice Chair of the Performance, Compensation & Talent Management Committee. Darlene Schell nominated Michael Bilbrey. No further nominations were made.

On **MOTION** by Richard Costigan, **SECONDED** by Terry McGuire and **CARRIED**, the Committee elected Dan Dunmoyer as Chair of the Performance, Compensation & Talent Management Committee by acclamation.

The meeting was recessed at 5:59 p.m. until 8:00 a.m. Wednesday, February 20, 2013.

The Performance, Compensation & Talent Management Committee met on Wednesday, February 20, 2013, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:00 a.m. the following members were present:

Michael Bilbrey, Vice Chair
Darlene Schell for Julie Chapman
Terry McGuire for John Chiang
Richard Costigan
Ron Lind
Grant Boyken for Bill Lockyer

Excused:

Dan Dunmoyer

Other Board Members present:

Rob Feckner
JJ Jelincic

AGENDA ITEM 3 – EXECUTIVE REPORT

Doug Hoffner, Deputy Executive Officer, presented the oral report to the Committee as an information item.

AGENDA ITEM 4 – CONSENT ITEMS

On **MOTION** by Darlene Schell, **SECONDED** by Richard Costigan and **CARRIED**, the Committee approved the Action Consent Item 4a, approval of meeting minutes.

AGENDA ITEM 6 – EXECUTIVE COMPENSATION POLICY REVISION

Katie Hagen, Chief, Human Resources Division, presented, as an action item, the proposed changes to the Compensation Policies and Procedures for Executive and Investment Management Positions that will align the Policy with the changes made to the Board's governance structure and revised CEO and CIO Delegations of Authority.

On **MOTION** by Richard Costigan, **SECONDED** by Grant Boyken and **CARRIED**, the Committee approved the proposed changes to the Compensation Policies and Procedures for

Executive and Investment Management Positions that will align the Policy with the changes made to the Board's governance structure and revised CEO and CIO Delegations of Authority.

AGENDA ITEM 7 – BIENNIAL SALARY SURVEY APPROACH

Ms. Hagen also presented, as an action item, information relevant to conducting a comprehensive salary survey of all positions covered under the Board's Executive Compensation Policies and Procedures.

On **MOTION** by Grant Boyken, **SECONDED** by Richard Costigan and **CARRIED** with one abstention, the Committee approved going forward with the Biennial Salary Survey approach and methodology options.

AGENDA ITEM 8 – SECOND QUARTER STATUS REORTS ON PERFORMANCE PLANS OF THE CHIEF EXECUTIVE OFFICER AND CHIEF INVESTMENT OFFICER

Ms. Hagen presented, as an information item, the Second Quarter Status Reports of the Chief Executive Officer and Chief Investment Officer.

AGENDA ITEM 9 – HUMAN RESOURCES DIVISION REPORT

Ms. Hagen provided an update on talent management initiatives underway: the status of the actuarial class study, the Investment Office classification and organization study, executive compensation process re-engineering, the organizational health index survey, and the CalPERS IT Career Fair.

There was no public comment.

The meeting was adjourned at 8:42 a.m.

The next Performance and Compensation Committee meeting is scheduled for April 15, 2013, in Sacramento, California.

Date: _____

DOUGLAS HOFFNER
Deputy Executive Officer