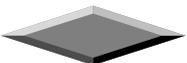


**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

PERFORMANCE, COMPENSATION & TALENT MANAGEMENT COMMITTEE

MINUTES OF MEETING

April 17, 2013



The Performance and Compensation Committee met on Wednesday, April 17, 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, Chair
Darlene Schell for Julie Chapman
Terry McGuire for John Chiang
Richard Costigan
Ron Lind
Grant Boyken for Bill Lockyer
Priya Mathur

Other Board Members present:

Rob Feckner
JJ Jelincic

AGENDA ITEM 2 – ELECTION OF COMMITTEE VICE CHAIR

Priya Mathur was elected Committee Vice Chair.

Michael Bilbrey called for nominations for the Vice Chair of the Performance, Compensation and Talent Management Committee. Grant Boyken nominated Priya Mathur. No further nominations were made.

On **MOTION** by Grant Boyken, **SECONDED** by Richard Costigan and **CARRIED**, the Committee elected Priya Mathur as Vice Chair of the Performance, Compensation and Talent Management Committee by acclamation.

AGENDA ITEM 3 – EXECUTIVE REPORT

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

AGENDA ITEM 4 – CONSENT ITEMS

On **MOTION** by Darlene Schell, **SECONDED** by Priya Mathur and **CARRIED**, the Committee approved the Action Consent Item 4a, Approval of Meeting Minutes.

AGENDA ITEM 6 – BIENNIAL SALARY SURVEY APPROACH

Katie Hagen, Chief, Human Resources Division, and Adam Barnett, McLagan, presented, as an information item, alternatives for the 2013 Biennial Salary Survey methodology for Committee discussion, including three potential comparator groups based on industry best practices and staff input. The Committee directed staff to bring back data for a modified comparator group focused on leading institutional investors in May.

AGENDA ITEM 7 – INVESTMENT OFFICE CLASSIFICATION AND ORGANIZATION REDESIGN EFFORT

Ms. Hagen also reported, as an information item, the progress made to-date and next steps in the Investment Office Classification and Organization Redesign Study.

AGENDA ITEM 8 – HUMAN RESOURCES DIVISION REPORT

Ms. Hagen gave an overview about the Human Resources Division Informal Mentoring Program.

AGENDA ITEM 9 – PUBLIC COMMENT

Neil Johnson, SEIU Local 1000, commented on Agenda Item 7.

The meeting was adjourned at 9:12 a.m.

The next Performance and Compensation Committee meeting is scheduled for May 14, 2013, in Sacramento, California.

Date: _____

DOUGLAS HOFFNER
Deputy Executive Officer