



Andrew Junkin, CFA, CAIA
Managing Director & Principal

July 26, 2013

Mr. Henry Jones
Chair of the Investment Committee
California Public Employees' Retirement System
400 Q Street
Sacramento, CA 95814

Re: Revision of the Affiliate Funds Delegated Authority

Dear Mr. Jones:

You requested Wilshire's opinion with respect to Staff's proposed changes to the Delegated Authority for the Affiliate Funds. Staff is proposing revisions that add the Public Employees' Health Care Fund and the Judges' Retirement Fund to the list of funds that the Affiliate Investment Programs would oversee. Certain actions are delegated to the CIO through this Delegated Authority, including the ability to manage asset class allocation within approved ranges as determined by the Investment Committee.

Wilshire recommends that the Investment Committee approve the revised Delegation to include these funds.

Should you require anything further or have any questions, please do not hesitate to contact us.

Best regards,

A handwritten signature in black ink, appearing to read 'Andrew Junkin'.