



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.: 310-010-14  
Circular Letter No.:  
Distribution: I, IIA, IV, V, VI, X, XII  
Special:

## Circular Letter

March 7, 2014

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

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

The Board of Administration of the California Public Employees' Retirement System (CalPERS) and its committees will meet on March 17 through 19, 2014. The meetings will be held in the CalPERS auditorium located in Lincoln Plaza North, 400 Q Street, Sacramento, California, unless otherwise noted.

Copies of the agendas for the meetings are attached. This notice and the agendas are also available on our website, [www.calpers.ca.gov](http://www.calpers.ca.gov).

The estimated start times for each meeting are set forth below. In some cases, a portion of the meeting may be held in closed session. Please refer to the attached agendas for additional information.

### **Monday, March 17, 2014**

9:00 a.m. Board of Administration (*Closed Session Only*)  
10:00 a.m. Investment Committee (*Closed Session*)  
10:30 a.m. Investment Committee  
1:00 p.m. Risk & Audit Committee

### **Tuesday, March 18, 2014**

8:00 a.m. Finance & Administration Committee  
9:00 a.m. Pension & Health Benefits Committee (*Closed Session*)  
9:30 a.m. Pension & Health Benefits Committee  
2:00 p.m. Performance, Compensation & Talent Management Committee

### **Wednesday, March 19, 2014**

8:00 a.m. Board Governance Committee  
9:30 a.m. Board of Administration

Live broadcasts of open session meetings of the Board and its committees are available for viewing at [www.calpers.ca.gov](http://www.calpers.ca.gov). Please refer to the website for information on attending meetings and presenting public comment.

The meeting facilities are accessible to persons with disabilities. Requests for disability-related modification or accommodation require a minimum of 72 hours' notice and may be requested by calling (916) 795-3065 (voice or TTY).

Questions regarding the meetings may be referred to Cheree Swedensky at (916) 795-3128 or [cheree.swedensky@calpers.ca.gov](mailto:cheree.swedensky@calpers.ca.gov).

ANNE STAUSBOLL  
Chief Executive Officer

Attachment



# Board of Administration

California Public Employees' Retirement System

---

March 17, 2014  
9:00 a.m.

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

## BOARD MEMBERS

Rob Feckner, President  
Priya Mathur, Vice President  
Michael Bilbrey  
John Chiang  
Richard Costigan  
George Diehr  
Richard Gillihan

JJ Jelincic  
Henry Jones  
Ron Lind  
Bill Lockyer  
Bill Slaton  
*Vacant, Governor Appointee,  
Insurance Industry Representative*

## MEETING AGENDA

**CLOSED SESSION**  
9:00 a.m.

Chief Executive Officer's Briefing on Performance,  
Employment, and Personnel Issues

**(Gov. Code sections 11126(a)(1) and (g)(1))**

### 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.



# Investment Committee

California Public Employees' Retirement System

---

**March 17, 2014**  
**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	JJ Jelincic
George Diehr, Vice Chair	Ron Lind
Michael Billbrey	Bill Lockyer
John Chiang	Priya Mathur
Richard Costigan	Bill Slaton
Rob Feckner	<i>Vacant, Governor Appointee,</i>
Richard Gillihan	<i>Insurance Industry</i>
	<i>Representative</i>

## **MEETING AGENDA**

**CLOSED SESSION**  
10:00 a.m.

Or Upon Adjournment or Recess of Board of Administration  
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 **(Government Code section  
11126(c)(16))**

**OPEN SESSION**  
10:30 a.m.

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

1. Call to Order and Roll Call

Rob Feckner

2. Tribute to Joseph A. Dear

Ted Eliopoulos 3. Executive Report – Interim Chief Investment Officer Briefing

Ted Eliopoulos 4. Consent Items  
**Action Consent Items:**  
a. Approval of the Meeting Minutes

Ted Eliopoulos 5. Consent Items  
**Information Consent Items:**  
a. Annual Calendar Review  
b. Draft Agenda for the April 2014 Meeting  
c. Total Fund Monthly Update – Performance and Risk  
d. Total Fund Monthly Update – Investment Compliance

**Action Agenda Items**

Kami Niebank 6. Administration  
a. Review of the Investment Committee Delegation

Kami Niebank 7. Organizational Systems and Controls  
a. Contracts Administration: Infrastructure Board Consultant Request for Proposal

**Information Agenda Items**

Laurie Weir 8. Program Reviews  
a. Targeted Investment Programs and Diversity Initiatives Update

Laurie Weir b. Emerging Manager Five-Year Plan – Peer Benchmarking Survey  
Ron Peyton, Anna West, Callan Associates

Laurie Weir c. Emerging Manager Five-Year Plan – Proposal Tracking and Communication Initiative  
Judy Chambers, Pension Consulting Alliance (PCA)

Laurie Weir, Réal  
Desrochers

d. Emerging Manager Five-Year Plan – Private  
Equity Emerging Manager Program Review

Anita Ng, Cambridge  
Associates

Mike Moy, PCA

9. Asset Allocation, Performance & Risk

Eric Baggesen

a. Strategic Asset Allocation Implementation

10. Public Comment

**CLOSED SESSION**

Upon Adjournment or Recess of Open Session  
**(Government Code section 11126(c)(16))**

1. Call to Order and Roll Call

Ted Eliopoulos

2. Consent Items

***Action Consent Items:***

a. Approval of Meeting Minutes

Ted Eliopoulos

3. Consent Items

***Information Consent Items:***

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:  
Proposed Investments

4) Investment Proposal Status Reports

**Information Agenda Items**

4. Asset Allocation, Performance & Risk

Eric Baggesen

a. Strategic Asset Allocation Implementation

5. Program Reviews

Randall Mullan

a. Infrastructure External Manager Presentation

Réal Desrochers

Ted Eliopoulos

Dan Bienvenue

Curtis Ishii

Curtis Ishii

Anne Simpson

Ted Eliopoulos

6. External Manager Updates

a. Private Equity

b. Real Assets

c. Global Equity

d. Global Fixed Income Programs

e. Absolute Return Strategies Program

f. Global Governance

g. Opportunistic

**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.
- 4) Board members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



# Risk & Audit Committee

California Public Employees' Retirement System

---

**March 17, 2014**  
**1:00 p.m.**

Or Upon Adjournment or Recess of the  
Investment 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**  
1:00 p.m.

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

Cheryl Eason

Cheryl Eason

Cheryl Eason

1. Call to Order and Roll Call
2. Election of the Risk & Audit Committee Chair and Vice Chair
3. Executive Report
4. Consent Items

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

- a. Approval of the November 19, 2013 Meeting Minutes

5. Consent Items

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

- a. 2014 Annual Calendar Review
- b. 2015 Annual Calendar Review
- c. Draft Agenda for the June 2014 Committee Meeting



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

**Action Agenda Items**

6. Audits

Margaret Junker /  
Rick Green, Macias,  
Gini & O'Connell

- a. External Auditor Management Letter

Margaret Junker Bob  
McCrorry and Timothy  
Doyle, Cheiron

- b. Third Party Valuation and Certification of the State and Schools Plans as of June 20, 2012

7. Public Comment

**CLOSED SESSION**

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 November 19, 2013, Meeting Minutes

Margaret Junker

- 3. Personnel, Employment and Performance – Chief Auditor

Kathleen Webb

- 4. Personnel, Employment and Performance – Chief Risk and Compliance Officer

**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.
- 4) Board members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



# Finance & Administration Committee

California Public Employees' Retirement System

---

**March 18, 2014**  
**8:00 a.m.**

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

## **COMMITTEE MEMBERS**

Bill Slaton, Chair  
Richard Costigan, Vice Chair  
John Chiang  
George Diehr

Richard Gillihan  
Henry Jones  
Bill Lockyer

## **MEETING AGENDA**

### **OPEN SESSION**

8:00 a.m.

Cheryl Eason

Cheryl Eason

Cheryl Eason

1. Call to Order and Roll Call

2. Executive Report

3. Consent Items

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

a. Approval of the February 19, 2014 Meeting Minutes

4. Consent Items

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

a. 2014 Annual Calendar Review

b. 2015 Annual Calendar Review

c. Draft Agenda for the April 2014 Committee Meeting

d. Chief Information Officer's Report on Information Technology Activities

e. Financial Report Summary

f. Semi-Annual Budget and Expenditure Report

### **Action Agenda Items**

- 5. Actuarial
  - Alan Milligan a. Judges' Retirement System Actuarial Valuation and Employer and Employee Contribution Rates
  - Alan Milligan b. Judges' II Retirement System Actuarial Valuation and Employer and Employee Contribution Rates
  - Alan Milligan c. Legislators' Retirement System Actuarial Valuation and Employer and Employee Contribution Rates
- 6. Administration
  - Robert Glazier a. Request for Proposal (RFP) for Legislative Representative: Finalists Selection
  - Cheryl Eason b. Review of the Finance & Administration Committee Delegation
- 7. Budget and Financial Reporting
  - Cheryl Eason a. 2014-2015 Annual Budget Proposal (First Reading)

### **Information Agenda Items**

- 8. Business Plan
  - Douglas Hoffner a. CalPERS 2014-2016 Business Plan
- 9. Administration
  - Ann Boynton/  
Liana Bailey-Crimmins a. Business Intelligence Update
- 10. 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.
- 4) Board members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



# Pension & Health Benefits Committee

California Public Employees' Retirement System

---

**March 18, 2014**  
**9:00 a.m.**

Or Upon Adjournment or Recess of the  
Finance and Administration Committee,  
Whichever is Later

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

## **COMMITTEE MEMBERS**

Priya Mathur, Chair  
George Diehr, Vice Chair  
Michael Bilbrey  
John Chiang  
Rob Feckner

Richard Gillihan  
JJ Jelincic  
Henry Jones  
Bill Lockyer

## **MEETING AGENDA**

### **CLOSED SESSION**

9:00 a.m.

Or Upon Adjournment or Recess of the Finance and  
Administration Committee, Whichever is Later  
**(Gov. Code Section 11126(e) and 11126(c)(17))**

Gina Ratto

Gina Ratto

Ann Boynton

### **OPEN SESSION**

9:30 a.m.

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

Ann Boynton

1. Call to Order and Roll Call
  2. New Public Agencies Potential Litigation
  3. California Public Employees' Pension Reform Act  
of 2013 (PEPRA) Implementation Potential  
Litigation
  4. Health Plan Rate Strategy
1. Call to Order and Roll Call
  2. Executive Report(s)

Ann Boynton

3. Consent Items

**Action Consent Items:**

- a. Approval of the February 19, 2014, Pension and Health Benefits Committee Meeting Minutes

Ann Boynton

4. Consent Items

**Information Consent Items:**

- a. Annual Calendar Review
- b. Draft Agenda for April 15, 2014, Pension and Health Benefits Committee Meeting
- c. California Employees' Retiree Benefit Trust Update

**Action Agenda Items**

Ann Boynton

- 5. Review Pension and Health Benefits Committee Delegation

Doug McKeever  
James DeBenedetti

- 6. Health Plan Regions for Contracting Agencies Effective 2015

**Information Agenda Items**

Donna Lum  
Renee Ostrander

- 7. PEPRA Implementation Update on Reportable Compensation

Ann Boynton  
Judy Citko, Coalition for  
Compassionate Care of  
California

- 8. Palliative Care and End-of-Life Issues

Kathy Donneson

- 9. Long-Term Care Program Semi-Annual Update

Doug McKeever

- 10. Member Satisfaction with Health Plans

Doug McKeever

- 11. Health Care Cost Trends

- 12. Public Comment

Ann Boynton  
Lincoln Plaza North  
Room 1140

- 13. Review of Draft Pension Beliefs

**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.
- 4) Board Members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



# Performance, Compensation and Talent Management Committee

California Public Employees' Retirement System

---

**March 18, 2014**  
**2:00 p.m.**

or Upon Adjournment or Recess of the  
Pension and Health Benefits Committee,  
Whichever is Later

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

## **COMMITTEE MEMBERS**

Michael Bilbrey, Chair  
Priya Mathur, Vice Chair  
John Chiang  
Richard Costigan

Richard Gillihan  
Ron Lind  
Bill Lockyer

## **MEETING AGENDA**

**OPEN SESSION**  
2:00 p.m.

Or Upon Adjournment or Recess of the Pension and Health  
Benefits Committee, Whichever is Later

1. Call to Order and Roll Call
2. Executive Report  
Doug Hoffner
3. Consent Items  
Doug Hoffner  
**Action Consent Items:**
  - a. Approval of Meeting Minutes
4. Consent Items  
Doug Hoffner  
**Information Consent Items:**
  - a. Annual Agenda Item Calendar Review – 2014
  - b. Annual Agenda Item Calendar Review – 2015
  - c. Draft Agenda for June 2014 Committee Meeting







# Board Governance Committee

California Public Employees' Retirement System

---

**March 19, 2014**  
**8:00 a.m.**

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

## **COMMITTEE MEMBERS**

Rob Feckner, Chair  
Priya Mathur, Vice Chair  
Michael Bilbrey  
George Diehr

JJ Jelincic  
Henry Jones  
Bill Slaton

## **MEETING AGENDA**

### **OPEN SESSION**

8:00 a.m.

Gina Ratto

Gina Ratto

Gina Ratto

1. Call to Order and Roll Call

2. Executive Report

3. Consent Items

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

a. Approval of February 2014 Meeting Minutes

4. Consent Items

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

a. Annual Calendar Review

b. Draft agenda for May 2014 Board Governance  
Committee meeting

### **Action Agenda Items**

Gina Ratto

Gina Ratto

5. Facilitator for the Board's 2014 Self-Assessment –  
Committee Interviews and Recommendation for  
Board Award of Letter of Engagement

6. Review of the Board Governance Committee  
Delegation

Kathleen Webb

7. Revision to Board Governance Policy – Ensuring an Ethical Environment

Gina Ratto

8. Board Education Policy

### **Information Agenda Items**

9. 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.
- 4) Board members may attend meetings of committees of which they are not members and participate in the discussions during those meetings.



# Board of Administration

California Public Employees' Retirement System

March 19, 2014

9:30 a.m.

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

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

## BOARD MEMBERS

Rob Feckner, President  
Priya Mathur, Vice President  
Michael Bilbrey  
John Chiang  
Richard Costigan  
George Diehr  
Richard Gillihan

JJ Jelincic  
Henry Jones  
Ron Lind  
Bill Lockyer  
Bill Slaton  
*Vacant, Governor Appointee,  
Insurance Industry Representative*

## MEETING AGENDA

### OPEN SESSION

9:30 a.m.

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

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. Acting Chief Investment Officer's Report (Oral)
  5. Consent Items

**Action Consent Items:**

    - a. Approval of February 2014 Meeting Minutes
    - b. Board Travel Approvals
- Rob Feckner
- Anne Stausboll
- Ted Eliopoulos
- Rob Feckner

6. Consent Items

**Information Consent Items:**

- a. Board Meeting Calendar
- b. Draft Agenda for April 2014 Meeting
- c. General Counsel's Report

7. Committee Reports and Actions

Henry Jones

Priya Mathur

Bill Slaton

Michael Bilbrey

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)

**Action Agenda Items**

Rob Feckner

- 8. Proposed Decisions of Administrative Law Judges
  - a. Doyel S. Guillory
  - b. Robert Toering
  - c. Maria Rosa Rivera
  - d. Sylvia Valdez

**Information Agenda Items**

Robert Glazier

Tom Lussier, Lussier,

Gregor, Vienna &

Associates

- 9. External Affairs/State and Federal Legislation

- 10. Public Comment

**CLOSED SESSION**

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

Gina Ratto

- 11. Litigation Matters (**Gov. Code section 11126(e)**)
  - a. 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
  - b. Sanchez v. CalPERS (L.A. County Superior Court, No. BC-517444)

**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.