



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)

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Special:

## Circular Letter

September 5, 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 September 15 through 17, 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, September 15, 2014**

8:00 a.m. Board of Administration (*Closed Session Only*)  
9:30 a.m. Investment Committee (*Closed Session Only*)  
10:00 a.m. Investment Committee

### **Tuesday, September 16, 2014**

9:00 a.m. Pension & Health Benefits Committee  
10:00 a.m. Risk & Audit Committee  
11:00 a.m. Finance & Administration Committee  
1:00 p.m. Performance, Compensation & Talent Management Committee

### **Wednesday, September 17, 2014**

8:00 a.m. Board of Administration (*Closed Session Only*)  
9:00 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

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September 15, 2014  
8:00 a.m.

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

## BOARD MEMBERS

Rob Feckner, President	Dana Hollinger
Priya Mathur, Vice President	JJ Jelincic
Michael Bilbrey	Henry Jones
John Chiang	Ron Lind
Richard Costigan	Bill Lockyer
George Diehr	Bill Slaton
Richard Gillihan	

## MEETING AGENDA

**CLOSED SESSION**  
8:00 a.m.

Anne Stausboll

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

**September 15, 2014**

**9:30 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	Dana Hollinger
George Diehr, Vice Chair	JJ Jelincic
Michael Bilbrey	Ron Lind
John Chiang	Bill Lockyer
Richard Costigan	Priya Mathur
Rob Feckner	Bill Slaton
Richard Gillihan	

## MEETING AGENDA

### CLOSED SESSION

9:30 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 (Government Code section  
11126(c)(16))

### OPEN SESSION

10:00 a.m.

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

1. Call to Order and Roll Call

Ted Eliopoulos

2. Executive Report – Interim Chief Investment Officer  
Briefing

Ted Eliopoulos

3. Consent Items

***Action Consent Items:***

- a. Approval of the Meeting Minutes

Ted Eliopoulos

4. Consent Items

***Information Consent Items:***

- a. Annual Calendar Review
- b. Draft Agenda for the October 2014 Meeting
- c. Monthly Update – Performance and Risk

**Action Agenda Items**

Wylie Tollette

5. Independent Oversight

- a. Contracts Administration: Private Equity Investment Board Consultant – Selection of Finalists for Interview

Eric Baggesen  
David Lamoureux

6. Asset Allocation, Performance & Risk

- a. Affiliate Funds Strategic Asset Allocation Targets, Recommendations

**Information Agenda Items**

Anne Simpson  
James Andrus  
Beth Richtman

7. Program Reviews

- a. Global Governance Program Update and Financial Markets Overview

Dan Bienvenue

- b. Global Equity Annual Program Review

Julia Bonafede,  
Andrew Junkin,  
Wilshire Associates  
Consulting

- c. Consultant Review of Global Equity Program

Dan Bienvenue

8. Policy & Delegation

- a. Proposed Revision of Global Equity Policy and Incorporation of the Corporate Governance Program and Developmental Investment Fund Policies – Initial Review

Eric Baggesen

- b. Affiliate Funds Strategic Asset Allocation Proposed Policy Modifications – Initial Review

9. Total Fund

Julia Bonafede,  
Andrew Junkin,  
Wilshire Associates  
Consulting

a. CalPERS Consultant Public Fund Universe  
Comparison Report

Wylie Tollette  
Carol Moody

b. Monthly Update – Investment Compliance

**Action Agenda Items**

10. Independent Oversight

Wylie Tollette

a. Contracts Administration: Infrastructure Board  
Investment Consultant Interviews and Intent to  
Award (1:00 p.m. Time Certain)

11. Public Comment

**CLOSED SESSION**

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

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. External Manager and Investment Decision Updates

Réal Desrochers

a. Private Equity

Tom McDonagh

b. Real Assets

Dan Bienvenue

c. Global Equity

Curtis Ishii

d. Global Fixed Income Programs

Curtis Ishii

e. Absolute Return Strategies Program

Ted Eliopoulos

f. Opportunistic

**Notes**

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# Pension & Health Benefits Committee

California Public Employees' Retirement System

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September 16, 2014  
9:00 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  
John Chiang  
Rob Feckner

Richard Gillihan  
JJ Jelincic  
Henry Jones  
Bill Lockyer

## MEETING AGENDA

### OPEN SESSION

9:00 a.m.

1. Call to Order and Roll Call
- Ann Boynton 2. Executive Report(s)
- Ann Boynton 3. Consent Items  
**Action Consent Items:**
  - a. Approval of the August 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 October 14, 2014, Pension and Health Benefits Committee Meeting
  - c. California Employers' Retiree Benefit Trust Update
- Action Agenda Items**
- Doug McKeever 5. Proposed Regulations – Parent Child Relationship

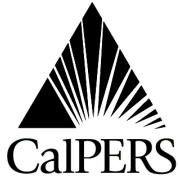


### Information Agenda Items

- |   |   |
|---|---|
| Danny Brown   | 6. Update on Proposition 46 – Drug and Alcohol Testing of Doctors and Medical Negligence Lawsuits |
| Jennifer Watson<br>Christine Reese                          | 7. Supplemental Income Plans Program Update   |
| Kathy Donneson  | 8. Long-Term Care Program Semi-Annual Update  |
| Kathy Donneson<br>Melissa Mantong<br>Marilyn Stebbins, UCSF | 9. Considerations in Formulary Management Programs  |
|   | 10. Public Comment  |

### Notes

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- 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

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**September 16, 2014**

**10:00 a.m.**

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

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

## COMMITTEE MEMBERS

George Diehr, Chair  
Ron Lind, Vice Chair  
Michael Bilbrey  
Rob Feckner

JJ Jelincic  
Priya Mathur  
Bill Slaton

## MEETING AGENDA

### OPEN SESSION

10:00 a.m.

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

1. Call to Order and Roll Call
  2. Executive Report
  3. Consent Items  
**Action Consent Items:**
    - a. Approval of the June 17, 2014 Meeting Minutes
  4. Consent Items  
**Information Consent Items**
    - a. 2014 Annual Calendar Review
    - b. 2015 Annual Calendar Review
    - c. Draft Agenda for the November 18, 2014  
Committee Meeting
    - d. Quarterly and Year End Status Report –  
Office of Audit Services
    - e. Quarterly and Year End Status Report –  
Enterprise Risk Management
- Cheryl Eason
- Cheryl Eason
- Cheryl Eason

- f. Quarterly and Year End Status Report – Enterprise Compliance
- g. CalPERS Ethics Helpline Report
- h. External Audit Fees
- i. 2013-14 Annual Compliance Report

**Action Agenda Items**

- 5. Audit
  - Phyllis Miller a. Request for Proposal (RFP): Parallel Actuarial Valuation Services

**Information Agenda Items**

- 6. Audit
  - Phyllis Miller a. Governmental Accounting Standards Board (GASB) Statement No. 68 Audit Services
- 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 the June 17, 2014 Meeting Minutes
- Phyllis Miller 3. Personnel, Employment and Performance – Chief Auditor
- Kathleen Webb 4. Personnel, Employment and Performance – Chief Risk and Compliance Officer
- Carol Moody 5. Personnel, Employment and Performance – Senior Portfolio Manager, Investment Compliance and Operational Risk

**Notes**

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# Finance & Administration Committee

California Public Employees' Retirement System

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September 16, 2014  
11:00 a.m.

or Upon Adjournment or Recess of the  
Risk & Audit Committee, Whichever is Later

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**  
11:00 a.m.

Or Upon Adjournment or Recess of the Risk & Audit  
Committee, Whichever is Later

1. Call to Order and Roll Call
2. Executive Report  
Cheryl Eason
3. Consent Items  
Cheryl Eason  
**Action Consent Items:**
  - a. Approval of the June 17, 2014 Meeting Minutes
  - b. Year-End Budget and Expenditure Report
4. Consent Items  
Cheryl Eason  
**Information Consent Items:**
  - a. 2014 Annual Calendar Review
  - b. 2015 Annual Calendar Review
  - c. Draft Agenda for the October 14, 2014  
Committee Meeting
  - d. Quarterly Chief Information Officer IT Report
  - e. Annual Contracting and Procurement Activity  
Report

- f. Annual Small Business and Disabled Veterans Business Enterprise Contract Participation
- g. Year-End Accounts Receivable Analysis Report

### **Information Agenda Items**

- 5. Business Planning
  - Douglas Hoffner
    - a. CalPERS 2013-15 Business Plan – Fourth Quarter Update and Closeout
- 6. Diversity
  - Lindy Plaza
    - a. Annual Diversity Report
- 7. Budget and Financial Reporting
  - Cheryl Eason
    - Brian Cosgrove,  
Beacon Consulting  
Group
    - a. Treasury Management (Liquidity) Update
- 8. Administration
  - Robert Glazier
    - a. Website Usability Initiative Update
  - Kathleen Webb
    - Liana Bailey-Crimmins
    - b. Information Security Update
  - Cheryl Eason
    - Graeme Finley,  
Grant Thornton
    - c. MylCalPERS PIER Plus Report Update
- 9. Public Comment

### **Notes**

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# Performance, Compensation and Talent Management Committee

California Public Employees' Retirement System

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September 16, 2014  
1:00 p.m.

or Upon Adjournment or Recess of the  
Finance & Administration 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**  
1:00 p.m.

Or Upon Adjournment or Recess of the Finance &  
Administration 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
  - b. Revised Executive Compensation Policy
4. Consent Items  
Doug Hoffner  
**Information Consent Items:**
  - a. Annual Calendar Review – 2014
  - b. Annual Calendar Review – 2015
  - c. Draft Agenda for October 2014 Committee Meeting

### **Information Agenda Items**

Katie Hagen  
Jim Finkelstein,  
FutureSense

5. Workforce Strategic Plan Annual Report

Katie Hagen  
Jim Finkelstein,  
FutureSense

6. Compensation Program Review Project Update

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

### **Action Agenda Items**

Katie Hagen

2. Approval of March 18, 2014 Performance  
Compensation and Talent Management Committee  
Closed Session Minutes

Katie Hagen

3. Review of 2013-2014 Performance: Chief Executive  
Officer

### **Notes**

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- 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

September 17, 2014  
8:00 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

Dana Hollinger  
JJ Jelincic  
Henry Jones  
Ron Lind  
Bill Lockyer  
Bill Slaton

## MEETING AGENDA

**CLOSED  
SESSION**  
8:00 a.m.

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

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

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

1. Call to Order and Roll Call
2. Pledge of Allegiance
- Rob Feckner 3. Board President's Report
4. Executive Reports
  - Anne Stausboll a. Chief Executive Officer's Report (Oral)
  - Ted Eliopoulos b. Interim Chief Investment Officer's Report (Oral)
- Rob Feckner 5. Consent Items

***Action Consent Items:***



- a. Approval of August 2014 Meeting Minutes
- b. Board Travel Approvals

6. Consent Items

**Information Consent Items:**

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

7. Committee Reports and Actions

Henry Jones

- a. Investment Committee (Oral)

Priya Mathur

- b. Pension and Health Benefits Committee (Oral)

Bill Slaton

- c. Finance and Administration Committee (Oral)

Michael Bilbrey

- d. Performance, Compensation & Talent Management Committee (Oral)

George Diehr

- e. Risk and Audit Committee (Oral)

Rob Feckner

- f. Board Governance Committee (Oral)

**Action Agenda Items**

Rob Feckner

8. Proposed Decisions of Administrative Law Judges

- a. Christine Monsen
- b. Karen Culverson
- c. Sergio Garcia
- d. Coral Hilder
- e. David Emler
- f. Lisa Handwerker
- g. Steven L. Hallam
- h. Ofelia P. Pettengill
- i. Roxane Congi
- j. Robin G. Leiter-Choen
- k. Ronald High
- l. Mario R. Velasquez

Rob Feckner 9. Board Governance and Delegations

Cheryl Eason,  
Eric Baggesen,  
David Lamereaux 10. Asset Liability Management - Affiliate Funds

### Information Agenda Items

Robert Glazier  
Tom Lussier,  
Lussier, Gregor,  
Vienna &  
Associates 11. External Affairs/State and Federal Legislation

12. Public Comment

### CLOSED SESSION

Anne Stausboll,  
Michael Kennedy,  
Korn Ferry 13. Personnel Matters (**Gov. Code sections 11126(a)(1) and (g)(1)**)  
a. Chief Investment Officer Interviews and Selection  
(TIME CERTAIN 10:15 A.M.)

14. Litigation Matters (**Gov. Code section 11126(e)**)

Matt Jacobs 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

Gina Ratto b. Pending Litigation Settlement Negotiations - (Case Name Withheld under the authority of Government Code section 11126.3(a))

Rob Feckner 15. Personnel Matters (**Gov. Code sections 11126(a)(1) and (g)(1)**)  
a. Review of 2013-2014 Performance: Chief Executive Officer

### Notes

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- 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.