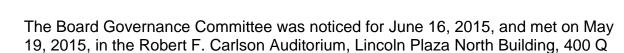


MEETING MINUTES JUNE 16, 2015



The meeting was called to order at 9:47 a.m. and the following members were present:

Bill Slaton, Chair Richard Costigan, Vice Chair Michael Bilbrey Rob Feckner Dana Hollinger Henry Jones Ron Lind

Other Board Member(s) present:

Street, Sacramento, California.

Grant Boyken for John Chiang
Richard Gillihan
J.J. Jelincic
Priya Mathur
Theresa Taylor
Betty Yee, also represented by Terrence McGuire

AGENDA ITEM 2 – EXECUTIVE REPORT

Matthew Jacobs, General Counsel, presented the oral report to the Committee as an information item.

AGENDA ITEM 3 – CONSENT ITEMS

On MOTION by Mr. Bilbrey, SECONDED by Mr. Lind and CARRIED, the following action consent items were approved as presented.

a. Approval of May 19, 2015 Board Governance Committee Meeting Minutes.

AGENDA ITEM 4 – CONSENT ITEMS

The Committee accepted the following information consent items:

a. Annual Calendar Review

AGENDA ITEM 5 – FACILITATED DISCUSSION OF ROLES AND RESPONSIBILITIES OF THE BOARD

The Committee members participated in a facilitated discussion on CalPERS Governance roles and responsibilities of the Board.

AGENDA ITEM 6- FACILITATED DISCUSSION ON CONSULTANT SELECTION AND REPORTING

At the June 16, 2015 Governance Committee, members discussed the Board's relationship to and selection process for what have historically been called "Board consultants." In the current governance documents, the Board has retained authority to select these consultants. The following represents what we believe to be the consensus reached during the discussion.

• In order to fulfill its fiduciary duty the Board wishes to retain and maintain an independent relationship with the following consultants:

Fiduciary Counsel

Independent Auditor

Independent Actuary

Executive Compensation Consultant

Independent Counsel for Administrative Appeal (OAH) Matters

Investment Consultants

Executive Search Firm for CEO and CIO recruitments

As an aspect of the independent relationship, the Board maintains the authority to make the selection decision for these consultants. The details of the process for each selection will be determined on a case by case basis.

- Going forward, the Board will delegate the selection of the federal representatives to staff. Given the visibility of this function the Board continues to desire to receive periodic direct reports from the federal representatives.
- Although the Board does not require an independent relationship with third party contractors such as the health plans, the long term care administrator, and administrative services related to the self-funded health plans, it wishes to retain authority over the selection of these contractors. The details of the selection process for these contractors will be determined on a case by case basis.

Based on the consensus reached, staff will prepare revised delegation and governance documents for the Board's consideration.

AGENDA ITEM 7 – PUBLIC COMMENT

There was no public comment.	
The meeting of the Board Governa	ance Committee was adjourned at 11:19 a.m.
Date:	MATTHEW G. JACOBS
	General Counsel