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**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
FINANCE & ADMINISTRATION COMMITTEE**

**MINUTES OF MEETING**

**February 17, 2016**

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The Finance & Administration Committee met on February 17, 2016, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 10:34 a.m. and the following members were present:

Richard Costigan, Chair  
Dana Hollinger, Vice Chair  
Richard Gillihan  
JJ Jelincic  
Henry Jones  
Bill Slaton  
Betty Yee

Other Board Member(s):

Ron Lind  
Christina Elliott for John Chiang  
Priya Mathur  
Theresa Taylor  
Lynn Paquin for Betty Yee

**AGENDA ITEM 2 – ELECTION OF CHAIR AND VICE CHAIR**

Richard Costigan called for nominations for the Chair and Vice Chair of the Finance & Administration Committee.

Dana Hollinger nominated Richard Costigan for Chair. No further nominations were made for Chair.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee elected Richard Costigan for Chair.

Henry Jones nominated Dana Hollinger for Vice Chair. No further nominations were made for Vice Chair.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee elected Dana Hollinger for Vice Chair.

### **AGENDA ITEM 3 - EXECUTIVE REPORT**

Cheryl Eason, Chief Financial Officer, presented the oral report to the Committee as an information item.

### **AGENDA ITEM 4 – ACTION CONSENT ITEMS**

Ms. Eason, presented the Action Consent Items to the Committee for approval.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee approved the Action Consent Items.

### **AGENDA ITEM 5 – INFORMATION CONSENT ITEMS**

The Committee accepted the Information Consent Items as presented.

### **AGENDA ITEM 6a – PROPOSED CALIFORNIA EMPLOYEES’ PENSION PREFUNDING TRUST (CEPPT) LEGISLATION**

Ms. Eason and Mary Ann Ashley, Chief, Legislative Affairs, presented the Proposed California Employees’ Pension Prefunding Trust (CEPPT) Legislation.

Public comment was received from Terry Brennand with SEIU, Faith Conley with California State Association of Counties, and Dillon Gibbons with California Special Districts Association.

On **MOTION** by Bill Slaton, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Proposed California Employees’ Pension Prefunding Trust (CEPPT) Legislation.

### **AGENDA ITEM 6b – BOARD OF ADMINISTRATION SCORING METHODOLOGY FOR REQUEST FOR PROPOSALS**

Doug Hoffner, Deputy Executive Officer, Operations and Technology and Kim Malm, Chief, Operations Support Services Division, presented the Board of Administration Scoring Methodology for Request for Proposals.

On **MOTION** by Bill Slaton, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Board of Administration Scoring Methodology for Request for Proposals as presented with a third option:

Staff gets 200 points for Technical Evaluation (with two board members acting as advisors)

300 points for Fees

500 points for Board Interview

#### **AGENDA ITEM 7a – 2015-17 BUSINESS PLAN MID-YEAR UPDATE**

Anne Stausboll, Chief Executive Officer, and Doug Hoffner, Deputy Executive Officer, Operations and Technology, presented the 2015-17 Business Plan Mid-Year Update, as an Information Item.

#### **AGENDA ITEM 7b – CalPERS 2016-17 BUSINESS PLAN (FIRST READING)**

Anne Stausboll, Chief Executive Officer, and Doug Hoffner, Deputy Executive Officer, Operations and Technology, presented the CalPERS 2016-17 Business Plan (First Reading), as an Information Item.

12:36 p.m. a break for lunch was taken.

1:30 p.m. session reconvened.

Roll Call was taken.

#### **AGENDA ITEM 8a – CalPERS BUDGET POLICY (FIRST READING)**

Cheryl Eason, Chief Financial Officer, presented the CalPERS Budget Policy (First Reading), as an Information Item.

#### **AGENDA ITEM 9a – ACTUARIAL POLICIES FRAMEWORK REVIEW**

Alan Milligan, Chief Actuary, Kami Neibank, Interim Chief Compliance Officer, and Scott Terando, Interim Deputy Chief Actuary, presented the Actuarial Policies Framework Review, as an Information Item.

#### **AGENDA ITEM 10 - SUMMARY OF COMMITTEE DIRECTION**

The Chair directed staff on Agenda Item 6a to continue to work on the specific language and present to the committee next month.

The Chair directed staff on Agenda Item 6b to add a third option to the RFP selection process.

The Chair directed staff to facilitate discussion regarding a Chief Diversity Officer and bring back information to the Committee on the position by early summer.

The Chair directed staff on Agenda Item 8a to present a modified budget policy for second reading in March.

**AGENDA ITEM 11 - PUBLIC COMMENT**

There was no public comment.

The meeting of the Finance & Administration Committee was adjourned at 2:00 p.m.

The next Finance & Administration Committee meeting is scheduled for March 15, 2016, in Sacramento, California.

Date: \_\_\_\_\_

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CHERYL EASON  
CHIEF FINANCIAL OFFICER