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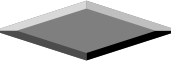
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**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**PERFORMANCE, COMPENSATION & TALENT MANAGEMENT COMMITTEE**

**MINUTES OF MEETING  
June 14, 2016**

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The California Public Employees' Retirement System Board of Administration Performance, Compensation and Talent Management Committee met on Tuesday, June 14, 2016, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 11:11 a.m. and the following members were present:

Michael Bilbrey, Chair  
Priya Mathur, Vice Chair  
Grant Boyken for John Chiang  
Richard Costigan  
Katie Hagen for Richard Gillihan  
Ron Lind

Excused:

Theresa Taylor

Other Board Member(s):

Rob Feckner  
Henry Jones  
Dana Hollinger  
Bill Slaton  
Alan Lofaso for Betty Yee

**AGENDA ITEM 2 – EXECUTIVE REPORT**

Doug Hoffner, Deputy Executive Officer, presented the oral report to the Committee as an information item.

### **AGENDA ITEM 3 – CONSENT ITEMS**

Action Consent Items:

a. Approval of the May 17, 2016 meeting minutes

Ms. Mathur **moved** that the Committee approve Action Consent Item 3a, Approval of Meeting Minutes. The motion was **seconded and carried**.

### **AGENDA ITEM 4 – CONSENT ITEMS**

The Committee accepted the Information Consent Items as presented.

### **AGENDA ITEM 5 – FISCAL YEAR 2016-17 COMPENSATION REVIEW PROJECT RECOMMENDATIONS: FIRST READING OF PERFORMANCE METRICS**

Tina Campbell, Chief, Human Resources introduced Bill Gentry and Eric Gonzaga of Grant Thornton, who presented, as an action item, draft performance metrics to review for implementation in the 2016 fiscal year.

Mr. Lind **moved** that the Committee approve as a first reading the following proposed performance metric concepts:

- Operating Efficiency, using the Overhead Operating Costs (OOC) model
- INVO Cost Effectiveness Measurement (“CEM”)
- Total Fund Investment Returns
- Stakeholder Engagement/Customer Service

In addition, approve the performance plan framework concepts for the Chief Executive Officer and Chief Investment Officer positions for fiscal year 2016-17. The motion was **seconded and carried**.

### **AGENDA ITEM 6 – SUMMARY OF COMMITTEE DIRECTION**

The Chair directed staff to bring back additional information and further detail in August to address the requests made by the Committee members during the discussion on Agenda Item 5.

### **AGENDA ITEM 7 – PUBLIC COMMENT**

There were no public comments.

The meeting was adjourned at 2:19 p.m.

The next Performance, Compensation and Talent Management Committee meeting is scheduled for August 16, 2016, in Sacramento, California.

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

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DOUGLAS HOFFNER  
Deputy Executive Officer  
Operations and Technology