



## Finance and Administration Committee Agenda Item 5b

---

April 18, 2017

**Item Name:** Annual Review of Board Member Employer Reimbursements Percentages

**Program:** Administration

**Item Type:** Action

**Recommendation**

Approval of the proposed elected Board Member percentages of time to be spent on Board related duties based on Board and committee selections held in February and March 2017.

**Executive Summary**

The Board of Administration's Policy for the Approval of Reimbursement to State, School and Public Agency Employers of Elected Board Members requires the recommended percentage up to 100 percent of the elected Board Member's time that will be required of the Board Member to fulfill his or her duties for approval by the Finance & Administration Committee.

**Strategic Plan**

Not Applicable.

**Background**

Government Code 20092, as amended January 1, 2014, allows the reimbursement of elected Board Member's salary and benefits paid based on the Board approved percentage.

The costs associated with employer reimbursements are based on the percentage of time the elected Board Member spends on his or her duties as a member of the CalPERS Board of Administration. The percentage is based on the elected Board Member's leave time from their regular work schedule to fulfill his or her responsibilities to the system. Reimbursement to the elected Board Member's employer is processed on a quarterly basis based on the approved percentage of time.

To improve transparency and accountability, an annual summary is provided (Table 1) of employer reimbursed salary and benefits by Board Member, as requested by the employer, for the Fiscal Year 2015/16. The annual summary provides a sound framework that correlates reimbursed costs based on approved percentages to specific activities, the streamlined approval and processing of reimbursement requests from employers, in combination with the Board oversight role.

Included in Table 1, is the summary of employer reimbursed salary and benefits by Board Member, as requested by the employer, for the Fiscal Year 2015/16.

Table 1

<b>Board Member</b>	<b>Salary and Benefits Reimbursed FY 2015/16</b>
Michael Bilbrey	\$32,867.48
Rob Feckner	\$98,811.64
JJ Jelincic	\$175,335.44
Priya Mathur	\$166,231.91
Theresa Taylor	\$31,240.57

**Analysis**

Included in Table 2, are the proposed percentages of time, as requested by the individual Board Members.

Table 2

<b>Board Member</b>	<b>Additional Role(s) as a CalPERS Board Member</b>	<b>Current Approved Percentage of Time</b>	<b>Proposed Percentage of Time</b>	<b>Effective Date</b>
Michael Bilbrey	<ul style="list-style-type: none"> <li>- Chair: Performance, Compensation, &amp; Talent Management Committee</li> <li>- Vice Chair: Pension &amp; Health Benefits Committee</li> <li>- Member Board Governance Committee</li> <li>- Member Investment Committee</li> </ul>	70%	75%	<b>3/1/17</b>
Rob Feckner	<ul style="list-style-type: none"> <li>- President: Board of Administration</li> <li>- Member Board Governance Committee</li> <li>- Member Investment Committee</li> <li>- Member Pension &amp; Health Benefits Committee</li> <li>- Member Risk &amp; Audit Committee</li> </ul>	100%	100%	<b>3/1/17</b>
JJ Jelincic	<ul style="list-style-type: none"> <li>- Member Finance &amp; Administration Committee</li> <li>- Member Investment Committee</li> </ul>	100%	100%	<b>3/1/17</b>

Board Member	Additional Role(s) as a CalPERS Board Member	Current Approved Percentage of Time	Proposed Percentage of Time	Effective Date
Priya Mathur	<ul style="list-style-type: none"> <li>- Chair: Pension &amp; Health Benefits Committee</li> <li>- Vice Chair: Board Governance Committee</li> <li>- Member Investment Committee</li> <li>- Member Risk &amp; Audit Committee</li> </ul>	90%	90%	4/1/17
Theresa Taylor	<ul style="list-style-type: none"> <li>- Chair: Board Governance Committee</li> <li>- Vice Chair: Finance &amp; Administration Committee</li> <li>- Member Investment Committee</li> <li>- Member Pension &amp; Health Benefits Committee</li> <li>- Member Performance, Compensation, &amp; Talent Management Committee</li> </ul>	61%	72%	4/1/17

**Budget and Fiscal Impacts**

Not Applicable.

**Benefits and Risks**

If recommendations are not approved, there is a risk that elected Board Member’s employers may not be reimbursed for the amount equal to the salary and benefits paid to the elected Board Member in fulfilling his or her responsibilities to CalPERS in accordance with the Policy for Approval of Reimbursement to State, School and Public Agency Employers of Elected Board Members.

**Attachments**

Attachment 1 – Fiscal Year Baseline Hours Required For CalPERS Board Duties

---

KRISTIN MONTGOMERY  
Controller

---

MARLENE TIMBERLAKE D’ADAMO  
Interim Chief Financial Officer

