



Performance, Compensation & Talent Management Committee Meeting Summary

March 21, 2018

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Performance, Compensation & Talent Management Committee met on March 20, 2018.

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- AGENDA ITEM 3b – Executive Compensation Policy: Cleanup and Minor Revisions

Approve the proposed changes to the Executive Compensation Policy.

- AGENDA ITEM 5 – Review of the Performance, Compensation and Talent Management Committee Delegation

Recommend the proposed changes to the Performance, Compensation and Talent Management Committee Delegation Resolution, as amended by the Committee, for the Board of Administration's consideration and approval at the May 2018 Board meeting.

- AGENDA ITEM 6 – Review of the Chief Executive Officer's Compensation Plan

The Committee directed team members to bring back an action item in May 2018 with options for a fixed compensation model, including information on a 457(f) plan option.

The Chair directed staff to:

- Bring back changes to the Executive Compensation Policy resulting from changes to the Committee delegation, once adopted by the Board.

The Committee heard public comment on the following topics:

- Neal Johnson, SEIU 1000, took a moment of personal privilege to thank Board members for comments at the Investment Committee meeting about developing talent for team members below decision-making levels.

At this time, I would like to share some highlights of what to expect at the May Performance, Compensation & Talent Management Committee meeting:

- Recommendations on fiscal year 2018-19 incentive metrics, and
- A discussion on pay design and philosophy for positions covered by the Executive Compensation Policy.

The next meeting of the Performance, Compensation & Talent Management Committee is scheduled for May 15, 2018, in Sacramento, California.