

March 20, 2018

**Item Name:** Review of the Performance, Compensation and Talent Management Committee Delegation

**Program:** Administration

**Item Type:** Action

### **Recommendation**

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

### **Executive Summary**

The Delegation Resolution is reviewed on an annual basis to ensure alignment with the CalPERS Strategic Plan. Attachment 1 sets forth the changes being proposed to the current PCTMC Delegation Resolution.

### **Strategic Plan**

This agenda item supports CalPERS' Strategic Goal to promote a high-performing and diverse workforce in the 2017-22 Strategic Plan. The Executive Compensation Program provides a means for recruiting, retaining, and empowering highly-skilled executives to meet our organizational priorities.

### **Background**

The most recent revision to the PCTMC Delegation Resolution, approved by the Board in April 2016, aligned the delegation with the recently revised Delegation Resolution for the Chief Executive Officer (CEO).

### **Analysis**

With input from the Committee, team members have reviewed the PCTMC Delegation Resolution and recommends revisions to align oversight of the Chief Investment Officer (CIO) with the other direct reports of the CEO. Proposed revisions are displayed in underline and strikethrough in Attachment 1, and a clean version is provided in Attachment 2.

The proposed revisions would impact the Board's Delegation of Authority to the CEO and the Executive Compensation Policy (Policy). All amendments approved by the Board in May 2018 will be reflected as applicable in the CEO's Delegation Resolution and the Policy. See Attachment 3 for a list of associated revisions to the Policy.

### **Budget and Fiscal Impacts**

Not Applicable.

**Benefits and Risks**

The benefit of reviewing and updating the PCTMC Delegation Resolution is to continually align the Committee's authority with the needs of our members while keeping CalPERS' commitment to its strategic goals and objectives.

**Attachments**

Attachment 1 – Performance, Compensation and Talent Management Committee Delegation Resolution (Redline)

Attachment 2 – Performance, Compensation and Talent Management Committee Delegation Resolution (Clean)

Attachment 3 – Executive Compensation Policy Revisions Resulting from Proposed Revisions to the Performance, Compensation and Talent Management Committee Delegation

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**Tina Campbell, Chief**

Human Resources Division

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**Douglas Hoffner**

Deputy Executive Officer  
Operations and Technology