



Performance, Compensation & Talent Management Committee Meeting Summary

May 15, 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 May 15, 2018.

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

- AGENDA ITEM 5 – Pay Philosophy Discussion for Positions Covered Under the Board’s Policy for Executive and Investment Management Positions

Affirm the Board of Administration’s compensation policy purpose statement as amended by the Committee.

Modify the Executive Management comparator group to include the British Columbia Investment Management Corporation (BCIMC).

Modify the Investment Management comparator group to include BCIMC, University of California Office of the Chief Investment Officer, and other university endowments.

Adopt a comparator group percentile between the 25th and 75th percentile of the respective executive and investment comparator groups.

The Chair directed staff to:

- Work with the Board’s Compensation Consultant to return with data on total cash for endowment funds.
- Bring back options for fixed and variable compensation for the Chief Executive Officer position.

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

- Recommendations on a revised salary range for the Chief Executive Officer position
- A discussion on pay design for positions covered by the Executive Compensation Policy
- Recommendations on fiscal year 2018-19 incentive metrics

The next meeting of the Performance, Compensation & Talent Management Committee is scheduled for June 19, 2018, in Sacramento, California.