

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

DELEGATION OF AUTHORITY

Subject: Chief Investment Officer

Delegation No.: INV-12-01

Pursuant to the Delegation Resolution (Delegation No. EXEC-11-01) from the California Public Employees' Retirement System (CalPERS) Board of Administration (Board), the Chief Executive Officer (CEO) hereby delegates to the Chief Investment Officer (CIO), authority to act finally with respect to any and all matters within the responsibilities of the CEO listed below.

General

1. Conduct and oversee the administration of all units and functions within the Investment Office (INVO).
2. Oversee that all investment functions are performed with independence and in conformance with professional standards.
3. Except where the CEO has required the CIO to act personally, re-delegate, as appropriate in the CIO's judgment, any authority delegated to the CIO under this delegation. To the extent the CIO has delegated authority to act finally, such final authority may be further delegated to staff.
4. Report to the CEO, on at least a monthly basis, all significant actions the CIO has taken under this delegation of authority.

Staff Resources and Organizational Structure

5. Except for the allocation and approval of Career Executive Assignments and appointments made under Government Code section 20098, set the internal organizational structure of INVO staff in a manner that is consistent with this delegation of authority and applicable Board policy.
6. Set the compensation for INVO employees, with the exception of the CIO, listed in Government Code section 20098 and those in Career Executive Assignments consistent with the Board's established compensation policies and procedures, and subject to final approval by the CEO.
7. Approve all personnel decisions concerning all other INVO staff.


Additional Specific Authority

8. Conduct the negotiation and execution of investment transactions approved by the Board, or within those discretionary areas delegated from the Board to staff.
9. Conduct and monitor the performance of investments in the CalPERS portfolio.
10. Oversee the master custody relationship to ensure the investment assets are safely and accurately maintained.
11. Approve the procurement of services from investment partners, managers, and consultants, consistent with the procurement policies adopted by the Board.
12. Conduct and monitor the performance of services from contractors, consultants, advisors, investment managers, and other service providers.
13. In conjunction with the CEO and the General Counsel, oversee the development and implementation of the Board's corporate governance program.
14. Oversee that plans and policies are implemented that achieve investment program objectives and provide for efficient and effective INVO operations within the resources and fiscal limits set by the Board.
15. Act as CalPERS spokesperson and expert on investment issues and testify on behalf of CalPERS before State and federal legislative committees on these issues.
16. Represent the System and communicate the Board's policies and positions before outside parties and organizations (including without limitation other governmental entities and officials, employer and employee organizations, and contractors).

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This delegated authority is expressly subject to the same fiduciary standards of loyalty and care as are contained within the authority delegated to me from the Board of Administration of the California Public Employees' Retirement System (Delegation No. EXEC-11-01). All previously dated delegations in this regard are rescinded and hereby superseded by Delegation No. INV-12-01.

DATE: 2/2/12


ANNE STAUSBOLL
CHIEF EXECUTIVE OFFICER
CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

I understand and accept this delegation

DATE: 4/27/12


JOSEPH A. DEAR
CHIEF INVESTMENT OFFICER
INVESTMENT OFFICE
CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM