



Finance and Administration Committee

Agenda Item 5c

April 13, 2026

Item Name: Annual Review of Board Member Employer Reimbursements

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 2026.

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 time away 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. The board member submits the Request for Employer Reimbursement Form (Attachment 1) certifying the actual number of hours spent fulfilling board duties and responsibilities. The total number of board hours is translated into a percentage from the quarterly normal work schedule hours, which is used to calculate the amount of reimbursement to the employer.

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 2024–25. The annual summary provides a framework that correlates reimbursed

costs based on approved percentages to specific activities, with the streamlined approval and processing of reimbursement requests from employers.

Table 1

Board Member	Salary and Benefits Reimbursed FY 2024–2025
David Miller	\$114,173.12
Jose Luis Pacheco	\$175,836.30
Kevin Palkki	\$ 83,167.63
Theresa Taylor	\$131,140.44
Mullissa Willette	\$110,943.77

Analysis

Included in Table 2 are the proposed percentages of time, as requested by the individual board members. The percentages are calculated from the Fiscal Year Baseline Hours Required for CalPERS Board Duties as seen in the Attachment 2 example. Baseline hours are set for the various board activities. The baseline hours represent the “routine” activities of board members, including offsites, workshops, and interviews; preparing for board and committee meetings; meetings with team members, consultants, beneficiaries, stakeholders, or industry experts; responding to individual constituency email, telephone calls, or correspondence; and keeping current on pension fund and health industry issues.

Table 2

Board Member	Additional Role(s) as a CalPERS Board Member	Current Approved Percentage of Time	Proposed Percentage of Time	Effective Date
Troy Johnson	<ul style="list-style-type: none"> - Member: Investment Committee - Member: Pension & Health Benefits Committee - Member: Performance, Compensation & Talent Management Committee - Member: Risk & Audit Committee 	0%	70%	01/15/2026
David Miller	<ul style="list-style-type: none"> - Vice President: Board of Administration - Chair: Board Governance Committee - Chair: Risk & Audit Committee - Vice Chair: Finance & Administration Committee - Vice Chair: Investment Committee - Member: Pension & Health Benefits Committee 	77%	83%	03/18/2026
Kevin Palkki	<ul style="list-style-type: none"> - Chair: Investment Committee - Chair: Performance, Compensation & Talent Management Committee - Vice Chair: Pension & Health Benefits Committee - Member: Finance & Administration Committee - Member: Risk & Audit Committee 	76%	82%	03/18/2026

Board Member	Additional Role(s) as a CalPERS Board Member	Current Approved Percentage of Time	Proposed Percentage of Time	Effective Date
Mullissa Willette	<ul style="list-style-type: none"> - Member: Finance & Administration Committee - Member: Investment Committee - Member: Pension & Health Benefits Committee - Member: Risk & Audit Committee 	78%	69%	03/18/2026

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 – Request for Employer Reimbursement Form

Attachment 2 – Fiscal Year Baseline Hours Required for CalPERS Board Duties

Janie Rajasuncy
Controller