

**PAY DIFFERENTIAL 393  
CALPERS RETENTION DIFFERENTIAL**

Established: 11/01/10

Expires: 06/30/12

| CLASS TITLE  | CLASS CODE | CB/ID | RATE                            | EARNINGS ID | DEPARTMENT |
|--|------------|-------|---------------------------------|-------------|------------|
| Chief Investment Officer, Public Employees' Retirement System                      | 4692       | M01   | Up to 20% of Annual Base Salary | G4          | CalPERS    |
| Chief Operating Investment Officer, California Public Employees' Retirement System | 4654       |       |                                 |             |            |
| Portfolio Manager, Public Employees' Retirement System                             | 4637       |       |                                 |             |            |
| Senior Investment Officer, Public Employees' Retirement System                     | 4639       |       |                                 |             |            |
| Senior Portfolio Manager, Public Employees' Retirement System                      | 4638       |       |                                 |             |            |

**CRITERIA**

This is a retention differential to retain highly skilled investment managers whose skills and experience are deemed critical to the successful management of the fund. The differential may be provided in addition to any other compensation policy provision and may be paid at any time during the fiscal year. The differential is limited to no more than 15% of eligible employees in the identified classifications per fiscal year.

- Employee must be employed with CalPERS for at least 12 months.
- Employee may receive an amount up to 20% of their base salary.
- Employee may receive the differential only once in a 24-month period.
- Employee must have received an overall rating of *Consistently Exceeds Standards* on their most recent employee evaluation.
- For the Chief Operating Investment Officer, Portfolio Manager, Senior Investment Officer, and Senior Portfolio Manager; the Chief Investment Officer and the Chief Executive Officer would approve the differential.
- For the Chief Investment Officer, the Board of Administration, upon recommendation of the Performance and Compensation Committee, would approve the differential.
- For all classifications, repayment of the entire differential is required in the event the employee does not continue employment with CalPERS for two years from the date the payment was awarded.
- For all classifications, repayment of the entire differential is required in the event the employee violates any CalPERS policy embodied in, but not limited to, the Working Values Handbook and in the event the employee does not continue employment with CalPERS for two years from the date the payment was awarded.
- This pay differential expires on June 30, 2012.
- Any exception to the repayment provisions requires approval of the Chief Executive Officer and/or other approving authority as listed above by classification.

| <b>IF APPLICABLE, SHOULD PAY DIFFERENTIAL BE:</b> |    |
|---|----|
| PRO RATED   | No |
| FLAT RATE   | No |
| SUBJECT TO QUALIFYING PAY PERIOD                  | No |
| ALL TIME BASES AND TENURE ELIGIBLE                | No |
| SUBJECT TO PERS DEDUCTION                         | No |

| <b>INCLUSION IN RATE TO CALCULATE THE FOLLOWING BENEFIT PAY</b> |    |
|---|----|
| OVERTIME  | No |
| IDL   | No |
| EIDL  | No |
| NDI   | No |
| LUMP SUM VACATION   | No |
| LUMP SUM SICK   | No |
| LUMP SUM EXTRA  | No |