

TEACHERS' RETIREMENT BOARD

2009-10 Meeting Work Plan

| | September | October (Offsite) | November | February | April | June | July |
|---------------------------------------|--|---|---|---|--|--|---|
| <i>System Oversight</i> | Contracts Requiring Board Approval Proposed FY 2010-11 Operational Budget | Strategic Planning | Contracts Requiring Board Approval Adoption of Proposed Operational FY 2010-11 | Contracts Requiring Board Approval | Contracts Requiring Board Approval | Proposed FY 2010-11 contracts exceeding \$500,000 Review Fiduciary Insurance Coverage | Overview of FY 2010-11 Budget Approval of employer reimbursement for trustee service |
| <i>Board Governance</i> | | Annual Board Self-Evaluation Annual CEO/CIO Evaluation Annual Consultant Evaluation | Review of CEO Delegation | Adopt FY 2010-11 Board Meeting Calendar | Election of Board Chair and Vice Chair | Appointment of Committee Members and Committee Chair/Vice Chairs | 2010-11 Committee Work Plan and Business Plans |
| <i>System Funding</i> | | | System Funding Review | | System Funding Review | | |
| <i>Legislation</i> | | | Board decisions on sponsorship of legislation | Board positions on legislation | Board positions on legislation | | |
| <i>Board Education Modules</i> | | | | Annual Fiduciary Training | Annual Bagley-Keene training | | |

APPEALS COMMITTEE

2009-10 Meeting Work Plan

| | September | November | December | February | April | June | July |
|--|-----------------------------------|-----------------|-----------------|-----------------|--------------|---|---|
| <i>Education and Policy Review</i> | Annual summary of appeal activity | | | | | Review Committee Charter Committee Self-Evaluation | Adoption of Committee Work Plan for 2010-11 |
| <i>Consideration of Proposed Decisions¹</i> | TBD | TBD | TBD | TBD | TBD | TBD | TBD |

7/22/09

¹ Proposed Decisions are received from the Office of Administrative Hearings (OAH). The hearing calendar and the issuance of decisions vary throughout the year. Proposed decisions are promptly brought before the Committee for consideration following receipt from OAH.

AUDITS AND RISK MANAGEMENT COMMITTEE 2009-10 Meeting Work Plan

| | August | November | February | April | July |
|--------------------------|---|---|--|---|--|
| General | Approval of Committee Work Plan for 2009-2010 | | | | Approval of Committee Work Plan for 2010-2011 |
| Project Reporting | Report on Data Integrity Project's Close-Out | Year-end EPIC Report | | EPIC Report Update Future State Architecture Project | Presentation on Employer Reporting Project |
| Audit Activities | Report on Results of Fixed Income Program Audit CalSTRS Investment Branch Risk Assessment Results CalSTRS Internal Risk Assessment Results CalSTRS School Employer Risk Assessment Results CalSTRS Charter School Risk Assessment Results Review and Approval of 2009-2010 Audit Plan School Employer Audits Status Update Internal Audits Status Update | Financial Statements Overview by Chief Financial Officer Presentation and Acceptance of the Auditors Report on the 6/30/09 Financial Statements – CalSTRS & Pension2 Review of Report on Internal Control over Financial Reports Presentation on Report to the ARM Committee by Financial Auditors Report on New HQ Close-Out Audit and IT Contract Audit | Financial Literacy Educational Presentation by Dr. Yetman Annual Review of Audits and Risk Management Committee's Effectiveness – Self Assessment | Internal Audits Status Update School District Audits Status Update School District Audits Follow-up Status Extension of Financial Expert's Contract FY 2010-11 Review Committee Charter | Presentation of Risk Assessment Results Presentation and Adoption of 2010-11 Audit Plan for Internal and School District Audits |

BENEFITS AND SERVICES COMMITTEE

2009-10 Meeting Work Plan

| | August | September | November | February | April | June |
|--|---|---|---|---|---|--|
| <i>Plan Design Discussions</i> | Comprehensive Benefits Strategy Development (First Reading) | Comprehensive Benefits Strategy Development (Second Reading) | Comprehensive Benefits Strategy Development (Third Reading) | | | Alternative Benefit Designs for Part-time and Adult Education Community College Faculty |
| <i>Actuarial</i> | | Revision to SBMA Regulations Adopt 6/30/08 actuarial valuation of Medicare Premium Payment and Defined Benefit programs Evaluate alternative amortization and smoothing periods | SBMA actuarial analysis | Actuarial audits of Defined Benefit, Defined Benefit Supplement, Cash Balance Benefit and Medicare Premium Payment programs | DB, DBS and CB Interest Rates | DB Contribution Rates Adopt 6/30/09 actuarial valuations for Defined Benefit, Defined Benefit Supplement, Cash Balance Benefit Programs |
| <i>Presentations and Demonstrations</i> | | | Retirement Progress Reports Video counseling interviews | Long-term member service improvement plan Member Contact Center | Member self-service counseling scheduling | |

| | August | September | November | February | April | June |
|--|---------------|---|--|--------------------------------|--|---|
| <i>Committee Education</i> | | | CalSTRS Annual Member Satisfaction Survey Medicare Coordinators | District Health Benefit Survey | Current Status of Retirement Plans in U.S. | |
| <i>Updates and Annual Reports</i> | | 2008-09 Service Accomplishments 2009-10 Service Objectives 2008-09 Deferred Compensation Activities | 2008-09 Ombudsman Report | | | Review Committee Charter Committee Self-evaluation |
| <i>Decision-making</i> | | | | | Update on Business Model for Counseling Services | |

8/17/09

BOARD GOVERNANCE COMMITTEE

2009-10 Meeting Work Plan

| | October (Offsite) | November | April | June | July |
|--------------------------------------|---|---|---|---|---|
| <i>System Oversight</i> | | | | Review Committee Charter Committee Self-evaluation | Adoption of Committee Work Plan for 2010-11 |
| <i>Board Policy Revisions</i> | | Review Board Policy 700B (Employer Reimbursement) | Continue review and revision of Board Policy Manual | Continue review and revision of Board Policy Manual | |
| <i>Board Governance</i> | Annual review of Board meeting format and time management | | | | |

7/22/09

COMPENSATION COMMITTEE

2009-10 Meeting Work Plan

| | September | November | February | April | June |
|-------------------------------------|--|--|---|--------------------------------------|---|
| <i>Policy Review/ Update</i> | Review maximum incentive opportunities based on updated compensation survey data Analysis/confirmation of policy change to defer incentive awards | Compensation Policy review - Historical Overview and review of Compensation Program Principles, Goals and Objectives | Compensation Policy review continued | Compensation Policy review continued | |
| <i>Oversight/ Monitoring</i> | | Summary of total compensation to be granted to Directors and Portfolio Managers reviewed by Committee | Disclosure of FY 2009-10 compensation awarded | | |
| <i>Governance</i> | | Compensation Consultant Contract – extend or new solicitation | | | Committee Charter Review Annual Committee Self-Evaluation Annual Compensation Consultant Evaluation |

LEGISLATIVE COMMITTEE**2009-10 Meeting Work Plan**

| | September | February | April | June |
|---------------------------|---|---|--------------------------------|---|
| <i>Legislation</i> | Board decisions on sponsorship of legislation | Board positions on legislation Annual Federal Legislative Review | Board positions on legislation | Board positions on legislation Review Committee Charter Committee Self-evaluation |

7/22/09

SUBCOMMITTEE ON CORPORATE GOVERNANCE 2009 - 2010 Meeting Work Plan

| Sept | Nov | Feb 09 | April | June |
|---|--|--|--|---|
| Diversity on Boards Conference | Carbon disclosure project Shareholder resolutions | Diversity on Boards project Carbon disclosure project | Diversity on Boards project Carbon disclosure project | Review progress and achievement of major projects |
| <div style="border: 1px solid black; padding: 5px; display: inline-block;"> Develop 2010 Proxy Season objectives and policy revisions </div> | | | Develop 2011 objectives for Corp Gov | Review Subcommittee Work Plan Subcommittee Self-evaluation |
| Semi-annual review of Corp Gov . managers | | | Semi-annual review of Corp Gov . managers | |
| Corp Gov activity report | Corp Gov activity report | Corp Gov activity report | Corp Gov activity report | Corp Gov activity report |

7/22/09

INVESTMENT COMMITTEE

2009-2010 Meeting Work Plan

| | September | November | December | February | April | May | June | July |
|-------------------------------|---|---|--|---|---|--|--|---|
| Projects | Review balance of Active / Passive management in public asset classes. | | | Review Commodity Investments | | | | Inv. Comm. Work Plan for 2010 -2011 <div style="border: 2px solid black; text-align: center; padding: 5px;">Review of Liability Driven Investments</div> |
| | | General Consultant Interviews | <i>ONLY For Transactions (if needed)</i> | | Research report on Micro Finance | <i>ONLY For Transactions (if needed)</i> | Review Committee Charter Committee Self-evaluation | |
| Policies | Global Equity Policy revision | Divestment Policy - Iran <i>Potentially:</i> Innovation & Risk Policy – revision | | <i>Potentially:</i> Global Equity Policy revision Fixed Income Policy revision | | | Asset Class Policy revisions (as needed) | Investment Policy & Management Plan Business Plans |
| Performance Reporting | <u>Semi-Annual Reports</u> Total Fund Real Estate Prvt. Equity. | <u>Semi-Annual Reports</u> External Manager Ratings | | | <u>Semi-Annual Reports</u> Total Fund Real Estate Prvt. Equity | | <u>Semi-Annual Reports</u> External Manager Ratings | |
| Oversight / Monitoring | <u>Annual Report</u> Fixed Income State Land Report California Inv. | <u>Annual Report</u> Currency Management <u>Semi-Annual Reports:</u> Diversity Climate Change | | <u>Annual Report</u> Home Loan Program Credit Enhancement | <u>Semi-Annual Reports:</u> Investment costs & CEM Cash Equitization | | <u>Annual Reports:</u> Securities Lending Directed Brokerage <u>Semi-Annual Reports:</u> Diversity Climate Change | Review of Delegation to Staff 10-Yr. Financial Plan |

Major initiatives / projects for the Investment Committee:**Anticipated time frame**

| | |
|---|------------------|
| Interview and selection of the Investment Committee's General Consultant - | Fall 2009 |
| Review the balance of Active to Passive management. - review the balance between active to passive investment management styles across the publicly traded asset classes.) | Fall 2009 |
| Review Commodity Investments- conduct a comprehensive asset liability study concluding long-term asset allocations targets. | Winter 2009-2010 |
| Review Liability Driven Investments (LDI) - consider whether to keep U.S. and Non-U.S. as separate asset classes versus one Global equity portfolio | Spring 2010 |

Major projects to be implemented by the Investment Staff in addition to the major Committee plans:**Anticipated time frame**

| | |
|---|-----------------------|
| Green Team / Climate Change - continue to implement and build the climate change analysis and portfolio across all asset classes. | All FY |
| Diversity in investment management – continue to expand and develop the diversity program | All FY |
| Corporate Governance – continue to work on Regulation Reform; Executive Comp; and Diversity on Corporate boards | All FY |
| Research & Risk – develop and incubate new sources of beta return | All FY |
| Member Home Loan Program – revisions to structure and products | All FY |
| Fixed Income – Implementation of Currency overlay managers | Fall 2009 |
| Global Equity Divestment Policy – International oil exposure to Iran | Fall 2009 |
| Absolute Return Asset Class – implement Inflation linked bonds and Infrastructure portfolio | Winter & Spring 09-10 |