



Regular Meeting

Item Number 25 – Open Session

Subject: Administrative Procedure Changes Pursuant to CEO Delegation

Presenter(s): Chairperson

Item Type: Consent Information

Date & Time: May 2, 2024 – 0 minutes

Attachment(s): Administrative Procedures for the Teachers' Retirement Board's Compensation Policy – Section 6

PowerPoint(s): None

Item Purpose

The purpose of this item is to inform the board of changes to the Administrative Procedures for the Teachers' Retirement Board's Compensation Policy that were made effective for FY 2023-24, pursuant to the Chief Executive Officer (CEO) Delegation.

Executive Summary

Pursuant to the CEO's delegated authority to make specified changes to the Compensation Policy's Administrative Procedures, the CEO has approved updates to incentive performance criteria, in addition to technical housekeeping changes effective for FY 2023-24. A summary of the changes are as follows:

- Established the incentive performance criteria for the Senior Investment Director, Total Fund Management with the measures and weightings as follows: 40% - Average of the seven asset classes, 40% - Total Fund, 20% - Qualitative/Personal. (Attachment 1 – page 39)
- Amended the maximum performance scale within the Sustainable Investments and Stewardship Strategies (SISS) incentive criteria from 45 bps to 70 bps. (Attachment 1 – page 42)
- Established the incentive performance criteria for the Portfolio Manager, Strategic Initiatives with the measures and weightings as follows: 30% - Average of the seven asset

classes, 30% - Total Fund, 40% - Qualitative – (50% Personal, 50% Key Success Factors). Attachment 1 – page 49

- Amended the benchmark definitions for Global Equity and SISS to align with the Investment Committee’s actions at its May 2023 meeting. (Attachment 1 – pages 51 and 52)
- Technical housekeeping clean-up language to the Innovative Strategies benchmark definition. (Attachment 1 – page 52)

Strategic Plan Linkage: Goal 1: Trusted Stewards – Ensure a well-governed, financially sound trust fund.

Board Policy Linkage: [Compensation Policy for Designated Executive Management and Investment Staff – Section 6](#)

Optional Reference Material: None