



Regular Meeting

Item number 10 – Open session

Subject: Chief Executive Officer Report

Presenter(s): Cassandra Lichnock

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Attachment(s): None

PowerPoint presentation(s): BenefitConnect update

CalSTRS 2026 Virtuosos

The CalSTRS Virtuoso award is the highest honor a CalSTRS employee can receive and the peak of our day-to-day award-winning recognition program: Virtuosity. The Virtuoso award is reserved for individuals who deliver superior, sustained performance with a demonstrated impact on the organization. Virtuosos consistently model our core values and competencies and support our mission and vision.

Nominations are supported by specific examples of how the nominee meets or exceeds the award criteria. A 15-member Recognition Council, made up of employees who represent different branches, levels and generations in the organization, review each nomination. They have the challenging job of rating each nomination individually and selecting the most compelling to receive the Virtuoso award.

I am pleased to introduce our 2026 Virtuosos – Eighteen individuals who have received CalSTRS highest honor.

Alvin Singh – Information Technology Manager I – Technology Services

Alvin oversees the full lifecycle of end user technology, from high-stakes audiovisual services and video conferencing to managing a diverse fleet of desktops, laptops, and mobile devices. Alvin ensures the workforce remains productive by bridging the gap between complex technical infrastructure and everyday user needs. Alvin leads strategy for end user technology infrastructure, including operating system imaging, software packaging, and automated deployment, with a strong emphasis on security. Alvin manages the Patch Management program, software upgrades, and endpoint protections to safeguard against vulnerabilities. Additionally,

Alvin oversees the corporate print environment—including printers, scanners, and copiers—and provides expert desktop support. By balancing high-scale automation with white-glove service, Alvin delivers a seamless, secure, and technologically empowered experience for all employees.

Alyssa Svirgun – Analyst II – Benefits and Services

Alyssa is a Senior Analyst in Customer Service within the Research and Communication team, where she independently performs a wide range of complex analytical functions related to divisional resources. Alyssa maintains the Member Assistance Guide; reviews, edits, and provides recommendations for forms and publications; and develops and maintains process and procedure job aids. She ensures all written resources are clear, accurate, and current so Customer Service agents can effectively support members by phone or messaging. Additionally, Alyssa leads or represents project teams, collaborates with Contact Center and Operational Support staff to meet performance objectives and enhance member satisfaction, and partners with business areas to ensure timely and accurate information sharing.

Carmen Smith – Analyst II – Public Affairs

Carmen is a video and photography producer, specializing in Investments-related projects and initiatives. Carmen serves as a liaison between Investments leadership, staff, and the Visual and Livestream Production Unit, ensuring communication goals are clearly understood and effectively implemented. Carmen maintains technical proficiency in video control room equipment, oversees logistics, and manages captioning and accessibility for multimedia content. Carmen coordinates all phases of photo and video production, including planning, scripting, scheduling, editing, and approvals. Carmen develops and executes digital communication strategies, creates messaging for internal and external audiences, and collaborates with Investments and Communications staff to deliver effective video and digital content. Carmen also monitors social media and web performance, analyzes engagement metrics, and recommends improvements to enhance the reach and impact of Investments communications.

Chase Williams – Analyst I – Benefits and Services

Chase is a Senior Trainer responsible for developing and delivering initial and ongoing skills-based training that supports strong content retention and effective on-the-job application. Chase manages all phases of the instructional design process, including the development of participant and facilitator guides and other training materials. Using participant-centered training techniques, Chase facilitates classroom-based training curriculum and ensures learning is engaging and practical. He assesses participants' progress, documents results in training reports and meets with the Customer Service Training Manager to discuss performance trends and any follow-up support needed to reinforce learning. Chase demonstrates strong command of all subject matter and serves as a resource for less experienced trainers. In addition, Chase supports the Customer Service Division staff by peer mentoring, conducting side by side observations, and fulfilling ad-hoc training requests.

Chyanne Ledbetter – Analyst II – Administrative Services

Chyanne researches, designs, and develops training programs by applying adult learning principles and conducting organizational needs analyses. Chyanne gathers data from a variety of

sources, interviews subject matter experts, and reviews business processes to define and prioritize class objectives. Chyanne also reviews and communicates marketing messages to promote relevant training opportunities. As a learning and development specialist, Chyanne delivers and evaluates training as a lead facilitator, using innovative instructional techniques. This includes managing classroom logistics, preparing materials, and analyzing Level One and Level Two evaluation data to inform program improvements. In addition, Chyanne facilitates internal workshops and team meetings, collaborating with leaders to develop content, set goals, and coordinate follow up actions.

Julio Perez – Supervisor I – Administrative Services

Julio leads and oversees the solicitation and issuance of purchase orders for goods and services across the organization. Julio works with all branches to procure goods, supplies, and hardware for CalSTRS’ two headquarters buildings, as well as all Member Service Centers and satellite locations. Julio manages the competitive selection process for the procurement of goods and refines and publishes solicitation documents for single or multiple awards using both formal and informal methods. Julio builds and maintains strong working relationships with members of the vendor community and coordinates pre-bid conferences, demonstrations, bid openings, public notices, and award activities. In addition, Julio oversees the procurement of software, subscriptions, and other technology solutions that support CalSTRS’ business operations.

Katrina Gacic – Supervisor I – Benefits and Services

Katrina manages a team of professional analysts on the Training and Development team, overseeing all training activities within the Employer Services Division. Katrina plans, organizes, and directs staff in the analysis, design, development, implementation, and evaluation of training materials for both the internal training program serving Employer Services staff and impacted business areas, and the external training program for CalSTRS employer reporting partners.

Katrina serves as a subject matter expert in Teachers’ Retirement Law (TRL) and the regulations governing CalSTRS membership and contribution reporting. She provides guidance to ensure all training programs align with legislation, policies, business practices, brand and style standards, and accessibility requirements, supporting consistent and compliant daily training operations.

Kristie Sena – Analyst II – Benefits and Services

Kristie performs a wide variety of complex tasks associated with providing retirement benefits planning. Kristie independently conducts individual and group retirement benefits planning interviews with members - both in person and via zoom - in alignment with Retirement Readiness standards and procedures. To prepare for each session, Kristie accesses systems to retrieve, research and analyze member data, ensuring accuracy in the information used during planning discussions. Kristie uses specialized computer programs to calculate retirement benefits based on each member’s unique circumstance. She also assists active, inactive, retired members and survivors on a walk-in basis at the front counter. In addition to her daily responsibilities, Kristie conducts retirement planning workshops at locations throughout San Bernardino and

Riverside Counties and in virtual settings. She also designs, markets, plans, and coordinates outreach efforts across the MSC region.

Maegen Wallick – Pension Program Manager III – Benefits and Services

Maegen served as the Quality, Training and Innovation Programs manager for much of 2025 before being promoted to one of the Employer Services Assistant Directors in August 2025. In her role, Maegen coordinates and manages analytical support staff through subordinate managers by prioritizing a multitude of projects and activities that require joint resources. She ensures that managers and staff adhere to Branch and Division guidelines, policies, and procedures; and that their work aligns with Division goals and objectives. Maegen oversees the Training Services and Employer Services units and contributes to the quality and risk management program. She plays a key role in policy revisions and recommendations, which have statewide impact, as well as in the refinement of the statewide employer reporting structure.

Nicole Wible – Analyst II – Benefits and Services

Nicole is part of the program development team in Retirement Readiness, she designs, develops, and implements informational materials to help educate members about CalSTRS benefits, retirement, and related topics. Nicole creates a variety of strategies and delivery methods—including written materials, benefits planning sessions, presentations, and digital media—to meet the needs of diverse adult learning styles. Nicole conducts individual and group benefits planning sessions, workshops, and webinars, and also supports the scheduling line and West Sacramento MSC front counter. Nicole collaborates with Training Services and Quality Management to develop and maintain detailed processes and procedures and provides staff training on how to deliver services using the tools and methods created by the team. Additionally, Nicole oversees the marketing of educational products and services, partnering with external stakeholders and CalSTRS staff to design and manage effective marketing campaigns.

Pritpal Bains – Financial Accountant V – Financial Services

Pritpal oversees the Financial Planning & Budgetary Reporting unit and leads all aspects of financial planning and budgeting for CalSTRS. Pritpal develops and reports on CalSTRS \$419 million operating budget, collaborates with business areas to identify resource needs, and secures funding to support strategic and business plan initiatives. Pritpal also works closely with the Department of Finance (DOF) on all budgetary matters and directs the preparation and submission of Budget Change Proposals to both the DOF and the Legislature. As the primary representative in fiscal discussions, Pritpal engages with internal and external stakeholders on budget policy issues, prepares and delivers Board agenda items, and responds to Board inquiries. Additionally, Pritpal oversees the production and submission of the CalSTRS Annual Budget Report, with the goal of earning the Government Finance Officers Association Distinguished Budget Presentation Award.

Rebekah Machado De Quevedo – Information Officer II – Public Affairs

Rebekah collaborates with the Pension Solution Change Management team and the Benefits & Services teams to communicate project and branch activities effectively. She develops and monitors the internal and external communications schedule and overall strategy for Pension Solution (now BenefitConnect). Rebekah also partners with Public Affairs senior leadership to prepare and execute strategic external

communication plans that align with CalSTRS Communications' objectives. In her role, Rebekah develops messaging for both internal and external audiences, advises the Communications director and Pension executives on public relations implications, and provides insight on how the project intersects with other high profile organization wide efforts. She also prepares reports on Pension Solution strategies, goals, concepts, and issues, ensuring stakeholders receive clear and consistent information.

Rosemary Chanou – Pension Program Manager I – Benefits and Services

Rosemary is on the Solution Integration Team in Retirement Readiness and is responsible for leading the most complex cross-functional project assignments related to the Pension Solution Project. She participates in joint application design sessions, reviews and provides feedback on complex technical documentation, identifies project risks or issues, and recommends mitigation strategies. Rosemary collaborates with CalSTRS and vendor teams to implement effective solutions. Additionally, Rosemary designs, develops, and delivers educational courses to prepare Retirement Readiness staff for the new pension system and related business processes. She has also completed extensive testing efforts required by the Pension Solution project, including parallel, regression, negative, user acceptance, and postimplementation verification testing.

Salvador Recinos– Pension Program Manager I – Benefits and Services

Salvador represents and assists in overseeing all Disability & Survivor Benefits resources on enterprise projects and leads the staff responsible for systems development and maintenance within the Disability and Survivor Benefits division. In his role, Salvador ensures that each project is supported with the appropriate knowledge, skills, and expertise, while balancing the impact that resource allocation may have on core business operations. Salvador oversees and evaluates the development, testing, and implementation of business tools for Disability and Survivor Benefits, ensuring they align with program needs and do not conflict with or duplicate efforts related to BenefitConnect. Salvador also manages a team that independently performs systems analysis for the Disability and Survivor Benefits program, identifying issues and recommending effective solutions to enhance customer service, increase productivity, and improve the consistency and accuracy of benefit application and payment processing.

San Juanita Ledesma- Analyst II – Administrative Services

San Juanita is a Learning Experience Designer in Human Resources Organizational Development. San Juanita's responsibilities include independently researching, designing, and developing training courses that apply adult learning principles and respond to organizational needs. She conducts needs analyses, gathers and evaluates data from multiple sources, interviews staff, reviews business processes, and collaborates with subject matter experts to ensure training content is relevant, accurate, and effective. San Juanita develops a wide range of training materials and eLearning resources—including videos, computer-based trainings, and webinars—and ensures they meet established training objectives. She also designs internal workshops, team meetings, and development opportunities, maintaining a focus on best practices and current trends in learning design. In addition, San Juanita coordinates training efforts, develops long-term learning strategies, and makes recommendations that align with organizational goals and stakeholder needs.

Scott Brooks- Attorney IV – General Counsel

Scott is an attorney in the Office of the General Counsel and provides legal support, advice, and representation to the Investments Branch of CalSTRS. This work includes reviewing and analyzing complex private investment transactions. Scott serves as the primary attorney for the

Private Equity, Collaborative Strategies, and Sustainable Investment and Stewardship Strategies asset classes. Scott conducts detailed legal reviews of investment documents and ensures compliance with federal and state laws, regulations, and CalSTRS internal policies and practices. Scott also provides legal oversight to external counsel, investment managers, consultants, and independent fiduciaries. Additionally, Scott analyzes and reviews state and federal legislation affecting CalSTRS, participates in meetings of the CalSTRS Board and its committees, and drafts and finalizes meeting minutes as needed.

Sonja Follett- Supervisor I – Administrative Services

In 2025, Sonja served as the Lead Learning and Development Specialist for the Learning and Development (L&D) Team on the Pension Solution (PS) Project. In this role, she acted as the primary L&D expert, partnering closely with Technology Services project teams, vendor partners, and CalSTRS business areas. She planned, developed, implemented, and managed a broad range of training courses, working with leadership to prepare staff for the adoption of a highly complex and sensitive technology system. Sonja's efforts were central to the successful completion of one of CalSTRS' largest and most impactful enterprise technology projects. She collaborated with leadership, project teams, and stakeholders to design and execute L&D strategies that delivered high-quality training products, promoted strong employee engagement, and supported a smooth and positive transition to new technology. As a high-level subject matter expert, Sonja played a critical role in helping the Pension Solution Project meet its business, schedule, and budget objectives.

Stefanie Bullock- Pension Program Manager I – Benefits and Services

Stefanie ensures that Service Retirement staff have the knowledge and skills needed to support efficient and effective operations, from accurately and promptly processing benefits to responding to inquiries from both internal and external customers. She plans, organizes, and directs the work of a team of analysts and technical specialists, providing leadership and support as they independently analyze complex benefit calculations. Her focus includes improving service levels, identifying and reducing processing risks, streamlining procedures for greater efficiency, and minimizing manual workarounds. Stefanie also oversees the team's quality assurance efforts. She reviews existing quality standards, checks, processes, and procedures, and leads the development of enhanced quality controls that address business process and procedural risks. Her work ensures that the program not only meets but exceeds the expectations of internal and external auditors, with a strong emphasis on risk mitigation and continuous improvement.

State Annual Recognition Awards

The State Agency Recognition Awards (SARA) celebrates state departments and small business (SB) and disabled veteran business enterprise (DVBE) advocates for outstanding achievements in SB/DVBE advocacy and contracting. At the ceremony on April 14th, the CalSTRS Procurement Management Division was presented with the Governor's Award. This recognition is awarded to a state agency or department that best exemplifies excellence and innovation in providing contracting opportunities to SB/DVBE firms. It is also the highest honor awarded to California Departments in State Procurement.

The Department's success in exceeding the SB (34.18%) and DVBE (5.87%) participation goals resulted from a comprehensive, agency-wide commitment to fostering an inclusive procurement environment. Our primary efforts included implementing a "SB/DVBE First" policy, which directs procurement teams to prioritize certified businesses for eligible contracts and heavily utilizes the streamlined "SB/DVBE Option" for direct contracting. Additionally, our dedicated SB/DVBE Advocate and Procurement Management Division (PMD) actively engage in outreach events and provide ongoing staff training, empowering all employees to effectively identify and utilize certified suppliers.

These initiatives reflect an embedded culture of support that actively removes barriers to participation. By adopting a data-driven approach and building strong relationships with the vendor community, continuous progress was ensured and opportunities for diverse businesses were maximized. This proactive stance goes beyond passive compliance, demonstrating a genuine commitment to supporting the economic vitality of California's small and veteran-owned businesses.

Appointment of David Lamoureux as Chair of the California Actuarial Advisory Panel

The California Actuarial Advisory Panel (CAAP) was created in 2008 to provide impartial and independent information on pensions, other post-employment benefits, and best actuarial funding practices.

The CAAP consists of eight positions. Each member must be an actuary with public sector clients. Members are generally appointed to three-year terms by various entities. Under existing law, the Governor appoints two of the panelists. In addition, one panelist is appointed by each of following:

- The Teachers' Retirement Board
- The Board of Administration of the Public Employees' Retirement System
- The State Association of County Retirement Systems
- The Board of Regents of the University of California
- The Speaker of the Assembly
- The Senate Committee on Rules

David Lamoureux has been the CalSTRS representative on the CAAP for the last 10 years. At the April 10, 2026 meeting of the CAAP, David Lamoureux was voted to serve as the Chair of the CAAP. David is replacing Paul Angelo who served as the chair for the last 15 years.

The CAAP meets at the State Controller's Office, which provides support staff to the panel. The CAAP meets several times a year. Some of the responsibilities of the panel include defining the range of actuarial model policies and best practices for public retirement plans in California. The CAAP reports annually to the Legislature, on or before February 1st, on the significant actions taken by the CAAP in the previous calendar year.

Since its creation, the CAAP has produced and issued several documents providing guidance on actuarial practice. The most influential which was eventually adopted on a national scale, is a document providing guidance on funding policies for public plans. The document is called [“Actuarial Funding Policies and Practices for Public Pension and OPEB Plans and Level Cost Allocation Model”](#).

A full listing of the current members of the CAAP is provided on the [SCO’s website](#).

BenefitConnect update

Staff across the organization continue working to move further into the stabilization period of the new pension administration system. Senior leaders and business experts meet weekly to monitor progress on priorities related to member service, workload processing, and required reporting. Teams working on high-priority workloads that can impact the timeliness of benefit payments are meeting regularly with vendor partners to complete work items and address obstacles. Our vendor partner, Sagitec, has added additional expert resources to support these priorities.

While call wait times and customer frustration remain elevated, we are answering more calls each day and adding staff to increase capacity. Callers are still highly satisfied (98%) with the engagement and knowledge of their representatives. We made changes to how our outbound phone number displays to better identify the call as coming from CalSTRS when a customer requests to receive a callback instead of waiting in queue, which reduces the chance it gets diverted to the customer’s voicemail and decreases the number of repeat calls.

Benefit processing areas continue to increase production. CalSTRS issued 1,749 new payments in March and 1,758 in April to our members’ beneficiaries, the highest monthly amount since go-live. Teams involved in preparations for peak retirement season are prioritizing work and removing any system obstacles to handle the volume of service retirement applications we expect. In April, the teams processed 2,420 applications and met our service level goal of establishing benefits within 45 days at 96.6%. In the three months leading to peak retirement season, we delivered 1,757 group planning sessions and 2,198 individual sessions while member walk-in visits to our service centers more than doubled. Members’ satisfaction with their benefits planning experience is also high, at 93%.

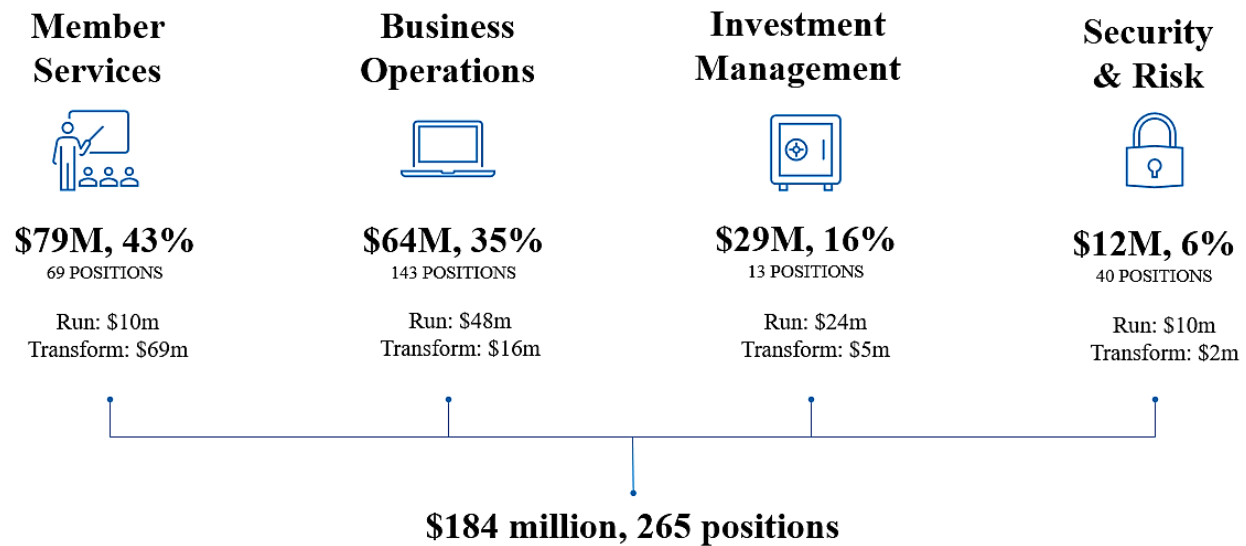
Although these gains are encouraging, we are now entering the true stabilization period after prioritized system fixes and improvements allow us to more confidently use the system to return to normal levels of production. Before we can consider the system fully stabilized, we must experience sustained production and continued reductions in service delivery times. Early indicators suggest that once this transition is complete, the new system will deliver long-term benefits. Our teams are committed to resolving issues and improving service for our customers.

2025-26 Technology and Innovation Budget Overview

In response to the Board’s request, staff estimated the total enterprise-wide Technology and Innovation budget for fiscal year 2025–26 at \$184 million, including 265 positions. As illustrated below, resources are aligned to four core business functions: Member Services, Business Operations, Investment Management, and Security and Risk. Together, these functions provide the technology and services that support benefit administration, foundational enterprise applications, investment operations and trading, and essential security and data protection capabilities.

Each business function is further organized into Run and Transform categories. Run reflects the cost of sustaining stable and secure daily operations, while Transform represents investments that modernize core systems and build long-term efficiency and resilience.

Overall, this budget strengthens CalSTRS’ ability to operate securely and efficiently, while expanding digital capabilities for future growth and scalability.



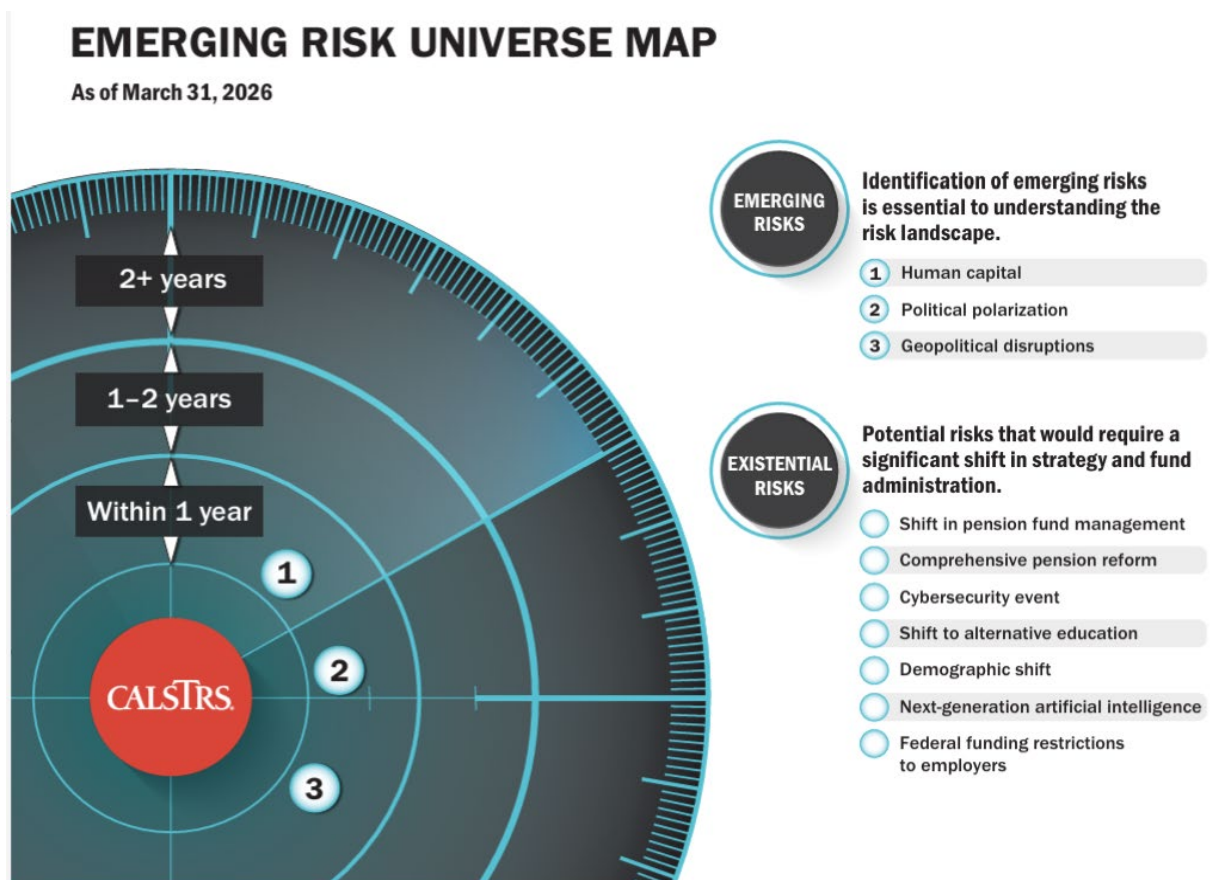
Emerging and Existential Risks

The Emerging Risk Universe Map has been updated to reflect developments through March 31, 2026. The prior reporting period was effective through December 31, 2025, and was provided to the Audits and Risk Management Committee on March 5, 2026. As part of the quarterly assessment cycle, the Enterprise Risk Management team evaluates potential emerging and existential risks for inclusion or revision. Identified risks and proposed updates are subsequently discussed with the Executive Team through the Executive Risk and Compliance Committee. The Emerging Risk Universe Map is then updated based on the outcomes of these discussions. No changes were made to the report other than the update to the language describing artificial intelligence.

Key updates for this period include:

- **Next-generation artificial intelligence:** The descriptor “next-generation” was added to reflect the rapidly evolving nature of artificial intelligence technologies. As organizations continue to develop and deploy increasingly advanced models with expanded—and not yet fully understood—capabilities, the associated risk profile is expected to grow in complexity and impact.

The Emerging Risk Universe Map displayed below shows the risks and their placement as of March 31, 2026. The updated map continues to emphasize emerging and existential strategic, operational and reputational risks.



As part of the risk assessment cycle, the Enterprise Risk Management team continuously scans the internal and external environment to identify emerging and existential risks to determine whether these risks require active mitigations, revision, active monitoring for future consideration or no action needed until the next identification cycle. This ongoing analysis provides executives with early insights into potential shifts in the risk landscape, supporting more informed and proactive decision-making. As events continue to unfold and our understanding of these emerging risks continue to evolve, staff will modify the map accordingly.