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## STRATEGIC PLANNING FOR FISCAL YEARS 2025–28

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### **Attachment(s):**

Attachment 1 – Future vision of success statements – redline version

Attachment 2 – Future vision of success statements – clean copy

Attachment 3 – Small group breakout discussion

### **PowerPoint(s):**

Developing the 2025–28 Strategic Plan

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### **PURPOSE**

The purpose of this item is to engage the board in strategic planning discussions regarding the development of the 2025–28 three-year strategic plan—a document that records the board’s long-term vision, overarching goals and objectives to guide our collective direction. The board and executive staff will engage in a facilitated discussion led by the board’s governance consultant, Amy McDuffee and Catherine Jackson of Mosaic Governance Advisors, LLC (Mosaic), and Cassandra Lichnock, CEO of CalSTRS.

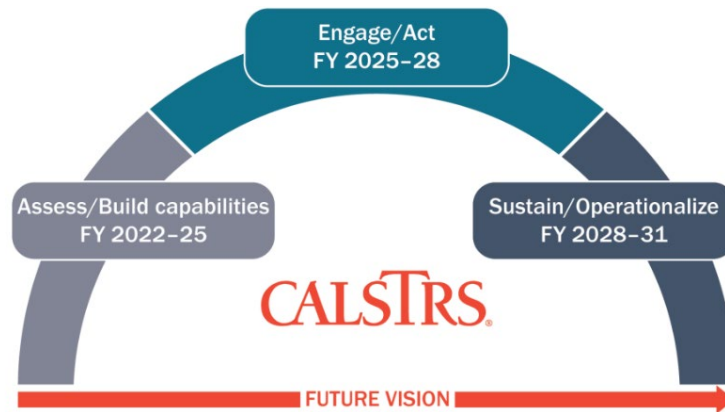
### **BACKGROUND**

Strategic planning, a governance best practice, is a continuous approach that is focused on the development of long-term goals that support the organization’s mission and accomplish its vision. Strategic planning is a way for leaders to step out of the day-to-day activities of running the business and focus on long-term strategy.

The board and executive staff have a longstanding history of collaboratively engaging in strategic planning. Each new strategic plan is designed to maintain the viability of our fund and foster continuous improvement for the benefit of CalSTRS members and beneficiaries.

### **DISCUSSION/SUMMARY**

In 2021, the board established a 10-year vision of success to be executed over the next three strategic planning cycles. The theme of the next three years is “Engage/Act,” building on the current focus on assessing and building our capabilities under the current strategic plan.



Mosaic will lead a discussion with the board and the executive staff further refining the vision for CalSTRS' future. Research gathered from the board, our stakeholders and expert voices by Mosaic and the CalSTRS Enterprise Strategy Management Team will be presented for discussion.

We will then present updates to the 2031 vision of success established in 2021 (see Attachments 1 and 2), in light of changes that have occurred and potential refinements identified since that vision was established. Once a strategy is set, it is a best practice for boards make adjustments and refinements based on changing conditions.

Next, we will review the current landscape of CalSTRS' most prominent Strengths, Weaknesses, Opportunities and Threats (SWOT), as recently compiled by executive staff. Mosaic will facilitate a discussion on any needed adjustments to the SWOT analysis priorities.

The final element of our discussion will identify our most pressing areas of focus for the next three years (see Attachment 3). Mosaic will facilitate the board and executive staff's discussion to reach consensus. Small group breakouts will be leveraged for this purpose. The outcomes will be used to frame the 2025–28 strategic plan.

The strategic plan will be presented to the board as an information item in January 2025. In March 2025, the board will participate in a discussion about the resources staff estimate will be needed to execute the plan over the next three years. Also in March, the board will have an opportunity to adopt the strategic plan, or to request changes. If needed, the plan will be presented for adoption again in May 2025.