



Regular Meeting

Item number 7 – Open session

Subject: CalSTRS Strategic Plan 2025–28 – First Reading

Presenter(s): Cassandra Lichnock / Amy McDuffee, Mosaic Governance Advisors

Item type: Information

Date and time: January 9, 2025– 45 minutes

Attachment(s): Draft *CalSTRS 2025–28 Strategic Plan*

PowerPoint presentation(s): CalSTRS Strategic Plan 2025–28 – First Reading

Item purpose

Every three years, the Teachers' Retirement Board and CalSTRS Executive Staff, guided by the board's governance consultant, Mosaic Governance Advisors, LLC (Mosaic), create a strategic plan to guide our priorities and activities in the coming years.

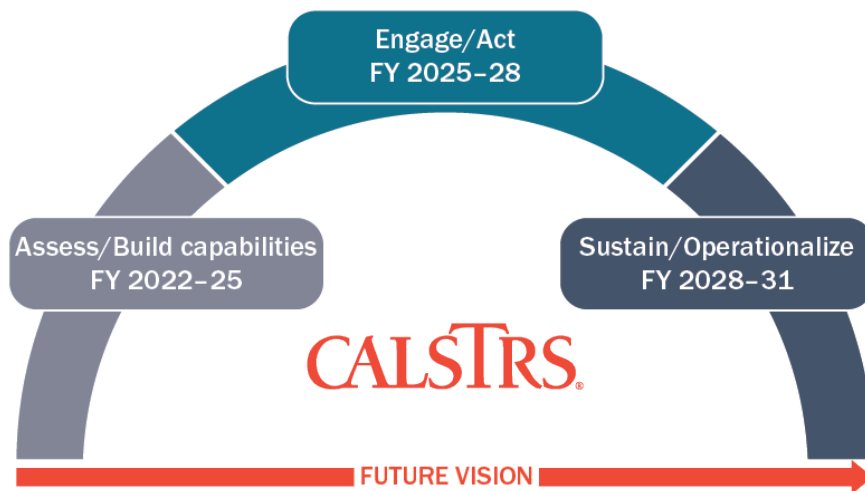
This first reading shares the draft *CalSTRS 2025–28 Strategic Plan* developed by staff, informed by board direction via individual interviews in early 2024 and at its July 2024 offsite. The plan advances us toward the board's long-term vision established in 2022, retaining the same three overarching goals that communicate the board's priorities, along with 16 objectives to guide our collective direction and indicators to evaluate our progress.

Background

CalSTRS follows a three-year strategic planning cycle, with an annual tactical business plan to support the overarching goals and high-level objectives of the strategic plan.

In 2022, the board established a long-term vision of success, beginning with the 2022–25 plan and culminating with the 2028–31 plan. The timeline and areas of focus for that long-term vision is illustrated in the following graphic.

Strategic plan cycles



The current strategic plan is themed around assessing and building our capabilities. The theme of the next plan, “Engage/Act” is evident in the attached draft as we move from a focus on assessment and building capability on many of our important initiatives—such as integrating Diversity, Equity and Inclusion principles across the organization, developing our change management and innovation programs, and implementation of the new pension administration system—and direct our energy toward execution.

Discussion and next steps

Our process began almost a year ago with an environmental scan surveying the current landscape. In early 2024, Mosaic and CalSTRS staff gathered perspectives from the board, executives, members, employers and other stakeholders, staff, consultants and other expert resources. Those perspectives informed a full day workshop conducted by Mosaic with CalSTRS Executive Staff in April 2024, which included a SWOT (strengths, weaknesses, opportunities, and threats) assessment. In July 2024, the board reviewed the results to date and provided feedback on our future vision, the SWOT and the canvas of critical issues executives identified.

Following the July meeting, staff developed a straightforward plan focused on the board’s strategic direction. The draft plan recalibrates the original ten-year vision of success put forth in the 2022–25 plan in response to the current environment. Similar to the 2022 plan, “As demonstrated by...” statements and three-year progress indicators serve to define staff’s accountability to the future vision of success and the high-level objectives of the plan.

In support of the board’s current objective to grow our strategic and innovation mindset under Goal 2, we are integrating resource planning in our strategic planning processes. This effort will strengthen the quality of our overall planning and provide greater transparency and decision-useful information to successfully accomplish our strategic priorities. The results of that effort, an estimate of our anticipated costs and resource needs to execute the strategic plan, will be presented to the board at its March 2025 meeting.

The strategic plan incorporating the board’s feedback today, including an introductory section from CEO Cassandra Lichnock, will be presented in March 2025 following that cost discussion. The strategic plan will be presented again in May 2025, if needed.

Strategic Plan linkage: This item globally supports the strategic plan.

Board Policy linkage: [Section 2, subdivision E, 4 – Strategic planning policy](#) describes roles and responsibilities of the board and chief executive officer related to strategic planning.

Optional reference material:

July board offsite materials

- Item 17 – [Strategic planning for fiscal years 2025–28](#)
- Attachment 1 – [Future vision of success statements – redline version](#)
- Attachment 2 – [Future vision of success statements – clean copy](#)
- Attachment 3 – [Small group breakout discussion](#)
- Presentation 01 – [Developing the 2025–28 Strategic Plan](#)