



Investment Committee

Item number 6 – Open session

Subject: Policy Governance Education

Presenter(s): April Wilcox, Shifat Hasan, and Melissa DaRonco

Item type: Information

Date and time: November 4, 2026 – 30 minutes

Attachment(s): None

PowerPoint presentation(s): CalSTRS Investment Portfolio Governance Overview

Item purpose

The purpose of this agenda item is to provide the Investment Committee with an overview of CalSTRS' investment governance structure. Key objectives include:

- Strengthen understanding of existing governance and delegation landscape.
- Inform how decisions are made and how risks are managed within existing governance framework.
- Provide a foundation to assist with future policy and process updates as CalSTRS shifts to a One Fund governance approach.

Executive summary

CalSTRS' current investment governance framework is anchored by Board-approved Investment Beliefs and the Investment Policy Statement (IPS), which set the objectives, constraints, and risk principles that guide all investment activity. Beneath these foundations sit asset class and program policies, internal investment committees, and the operational control environment, which provide more detail on roles, decision rights, benchmarks, risk limits, and oversight responsibilities. Together, these layers create a hierarchy for how investment decisions are made, how authority is delegated, and how risks are managed across the organization.

As CalSTRS moves toward the One Fund model, a unified and single source governance structure will require modernization across investment policies, committee charters, guidelines, and other frameworks to support more coordinated Total Fund risk oversight and

decision-making. This educational item provides context for the Investment Committee to understand the current governance landscape and prepares members to evaluate upcoming proposals that may modernize and streamline governance while reinforcing oversight and risk controls.

Strategic Plan linkage: Goal 1B of the [CalSTRS 2025-28 Strategic Plan](#). Trusted stewards – Ensuring a well-governed, financially sound trust fund.

Board Policy linkage: [CalSTRS Investment Policy Statement](#)
