



Board Governance Committee

Item number 6 – Open session

Subject: Board Governance Manual (BGM) Modernization Initiative Planning

Presenter(s): Amy McDuffee, Mosaic Governance Advisors

Item type: Information

Date and time: September 24, 2026 – 15 minutes

Attachment(s): None

PowerPoint presentation(s): Beginning to Define the Future State of the Board Governance Manual (BGM)

PURPOSE

To engage the Committee in an initial planning discussion about the future-state vision for the Board Governance Manual (BGM). The discussion will help inform the planning process to evolve the BGM.

DISCUSSION FRAMEWORK

Mosaic will provide a brief overview of the BGM modernization initiative, including its objectives, scope, and guiding considerations. The Committee will then be invited to provide initial perspectives on the future-state of the BGM, including:

- The characteristics of a high-value governance resource, including its ability to communicate the Board's governance philosophy, values, and commitment to governance excellence.
- Key principles that should guide modernization efforts, as well as any directions the Committee believes should be avoided.

The discussion is intended to provide initial guidance to Mosaic and staff in developing plans for a future-state version of the BGM that will guide subsequent modernization efforts.

BACKGROUND

The Committee is responsible for overseeing the Board Governance Manual (BGM), a living document intended to evolve over time to maximize its usefulness, relevance, and clarity. It documents the Board's directives for the staff and others that implement those directives. The

BGM defines the Board’s governing philosophy, its commitment to excellence in governance, and the standards of conduct the Board holds itself to, along with the purpose, authority, and role of the Board and its committees. It serves as the primary reference source for board governance policies and practices.

Throughout its history, the BGM has been strengthened through the addition of policies, charters, and governance guidance. As the document has grown, care has been taken to organize new material in a logical and cohesive manner. The resulting compendium is widely regarded by governance peers as a best-practice resource from a policy content perspective.

As part of Strategic Plan 2025-28 Objective 1E (Enhance board practices to evolve excellence in governance), CalSTRS has initiated a BGM modernization effort focused on improving the manual's form, structure, organization, and usability.

This work recognizes that while the underlying governance content continues to be reviewed through established policy review cycles, the overall organization and user experience of the manual as a whole have not been comprehensively reexamined in many years.

The modernization effort is therefore not intended to reconsider the substance of existing policies and charters. Rather, it seeks to answer a broader question.

What should the Board Governance Manual look like and how should it function to best support effective governance for CalSTRS today and into the future?

To help answer that question, the Committee is being asked to share its initial perspective on the desired characteristics of the BGM. Input from this discussion will help clarify design principles to guide modernization efforts and inform the development of a future-state vision for the BGM, which will be brought back to the Committee for subsequent review.

Strategic Plan Linkage: [CalSTRS 2025-28 Strategic Plan \(Objective 1E\)](#)

Board Policy Linkage: [Board Governance Committee Charter](#)
