

CalSTRS Teachers' Retirement Board Meeting | September 24, 2026
Item 13. Attachment 2 – Redlined Edits to Board-Level AI Governance Statements

Redlined Edits to Board-Level AI Governance Statements

Our Foundational Beliefs

- AI is a distinct category of technology that requires board-level oversight.
- We ground our oversight of AI usage in our fiduciary responsibility to ensure CalSTRS meets ~~the~~ its mission and preserves the ~~of securing the financial future and sustaining the~~ trust of California's educators.
- There are both opportunities and risks in ~~adopting~~ using AI.
- AI will have a material impact on how CalSTRS operates.
- Human judgment should remain primary for decision-making processes affecting members and those with material investment implications.
- Board-level oversight of AI should be ~~commensurate with in proportion to~~ the risk and impact of individual use cases.
- The governance principles are intended to provide clear guardrails that enable CalSTRS staff to deliberately, intentionally, and proactively pursue innovation.
- ~~Trustees commit to continuous education related to this evolving space.~~

Commented [NS1]: At the July Offsite, board members requested removing the overlap between this statement and the CalSTRS mission statement. Board members noted the importance of retaining the concept of preserving trust in this statement.

Commented [NS2]: Board members requested clearer language.

Commented [NS3]: Board members requested a foundational belief on the topic of continuous education given the rapidly changing AI landscape.

Board-Level AI Governance Principles

Fiduciary Alignment: AI is only adopted when it ~~securely~~ strengthens CalSTRS' ability to meet its fiduciary obligations and long-term responsibilities to members.

Commented [NS4]: Board members specifically requested that the term "securely" be added to this principle.

Human Accountability: CalSTRS' people ~~at all levels~~ remain fully responsible for decisions and outcomes influenced by AI and must be prepared to explain and stand behind those decisions ~~through their own knowledge and individual expertise.~~

Commented [NS5]: These edits were specifically requested by board members to ensure that it was clear the principle applies to all CalSTRS staff and to reinforce the role of staff's expertise in decisions and outcomes.

Trust: AI use upholds CalSTRS' role as a trusted public institution responsible for the retirement security of California's educators.

Human Judgment: AI use builds CalSTRS' institutional capability by enhancing the human judgment, collaboration, and discretion required to do CalSTRS' work well and to continue to grow and develop the CalSTRS team.

Fairness: CalSTRS seeks to ~~avoid unfair or discriminatory outcomes in its~~ align its use of AI with its core values, treating everyone with fairness, honesty, and courtesy.

Commented [NS6]: These edits were made in response to board and executive staff conversation about the need to align these principles with CalSTRS' Core Values. The last portion of this statement is from the definition of Respect in CalSTRS' Core Values.