

FY 2025-26 Enterprise Compliance Services Maturity Plan Closeout Report

This maturity plan builds on the prior plan and focuses on moving towards the “Defined” stage of maturity which emphasizes enterprise-wide standardization of compliance practices, consistency in conducting activities, and making sure our processes are fully documented and repeatable.

Activity	Status	Accomplishment/Update
Formally map enterprise policies to enterprise risks and regulations	Completed	Conducted a risk analysis to map all organizational policies with enterprise risk. This is an essential process for business resiliency, ethical business practices and regulatory obligations.
Develop, document, and standardize a risk-ranked enterprise policy review cycle	Completed	- Realigned policies to a tiered review cycle, with high-risk policies reviewed annually and lower-risk policies reviewed on a 2-to 3-year schedule. - Launched the risk-ranked policy review cycle for the organization. New process saves an estimated 600–800 hours of work annually across the organization.
Fully align compliance risk assessments with assurance partners across the organization	Completed	2026 risk assessment was aligned with Internal Audits, Enterprise Risk Management, and Business Continuity.
Perform consistent, documented, and standardized proactive policy reviews for compliance	Completed	- Conducted a comprehensive policy review to identify opportunities for strengthening policy compliance. - Methodology included interviewing CalSTRS staff, reviewing policy attributes, and testing key controls used to support policy compliance.
Standardize a repeatable annual quality testing of Compliance and Ethics Hotline data	Completed	- Conducted repeatable quality testing of Compliance and Ethics Hotline data, including monitoring open case reports to ensure timely case resolution and reviewing case manager access reports to confirm proper Navex access. - Benchmarked existing practices and identified opportunities to strengthen future quality testing that supports measuring CalSTRS’ reporting culture.

Standardize a repeatable hotline case manager education plan	Completed	Launched a standardized annual confidentiality acknowledgement which includes hotline training for CalSTRS Compliance and Ethics Hotline case managers.
Standardize and administer policy management education plan for policy owners	Completed	- Conducted policy owner needs assessment by partnering with Enterprise Strategy Management to survey policy owners. - Created tools for policy owners to clarify when a policy is needed, how to write a policy, and how to review policies according to the enterprise process. - Redesigned the Policy Management SharePoint page to provide tools and procedures for policy owners and reviewers.
Expand and consistently provide compliance topics for CalSTRS leadership education	Completed	Conducted multiple leadership sessions to train leaders on how leadership behaviors influence employee reporting and to reinforce leaders' responsibilities in preventing, identifying, and managing retaliation behaviors.
Deploy software solution that supports Enterprise Compliance program maturity	Partially Completed	- Policy management module is complete. - Regulatory compliance module is scheduled for implementation in quarter three of FY 2026-27.