CALSTRS

Board Governance Committee

Item number 5 – Open session

Subject: General Counsel's Governance Report

Presenter(s): Brian Bartow

Item type: Information

Date and time: September 24, 2026 – 5 minutes

Attachment(s): None

PowerPoint presentation(s): None

PURPOSE

The purpose of this item is for the General Counsel to create awareness and visibility to the Board Governance Committee (Committee) on ongoing governance work and emerging practices related to Committee's responsibilities. For this meeting, information on the following topics is provided.

1. Enabling the Board's Education and Development on AI Governance.
2. Routine policy reviews and creations.
3. Routine board consultant evaluations.

1. Enabling the Board's Education and Development on AI Governance

In May 2026, the Board approved the Board-Staff Working Group on Technology Governance's recommendation to intentionally integrate AI-related topics into the Board's continuing education curriculum. This work was to be conducted under the direction of the Committee. The following outlines anticipated next steps to support implementation of this recommendation.

- Compiling and organizing 2026 AI-governance related board educational sessions for ongoing trustee reference, including board presentations by Ashby Monk, Param Vir Singh, Peter Weill, and Darren Dang.
- Identifying trustee interests and educational priorities related to AI to guide future board education.
- Identifying and assessing additional educational resources to support continued trustee development related to AI governance and emerging technologies.

- Reviewing new trustee onboarding materials to determine whether enhancements are needed to address Board-level AI governance responsibilities and oversight expectations.

2. Routine Policy Reviews and Creations

The Committee oversees routine, proactive BGM policy reviews. The Office of the General Counsel, in collaboration with Mosaic, is tracking policy reviews conducted and maintaining the review schedule, which may be adjusted based on organizational needs and changing circumstances.

Depending on the Committee agenda, a number of policy reviews are made visible to the Committee at most meetings to maintain compliance with a 5-year review cycle.

Within this cycle, different types of reviews take place:

- New policy considerations requiring Committee discussion are agendized.
- Policy reviews that lead to potential edits requiring Committee discussion are agendized.
- Policy reviews that result in technical or non-substantive adjustments, or no changes at all, are presented to the Committee through this report.
- Reviews of policies that fall under the authority of the full Board or another Board committee are conducted by the Board or the appropriate committee and are reported to this Committee through this report.

Revisions to the Succession Planning Policy and the Board Operative Principles are being brought forward for Committee action at the September 2026 meeting, along with a discussion on the Board Governance Manual (BGM) modernization initiative. Following the meeting, the Office of the General Counsel and Mosaic will continue maintaining the BGM and identify additional policies for consideration at future Committee meetings.

3. Routine Board Consultant Evaluations

The board engages various consultants to deliver essential high-level strategic services and advice. Per board policy and best governance practices, both the board and its committees perform regular evaluations of those consultants who report directly to them during their contract terms. It is the responsibility of the Committee leadership, with support from staff, to oversee these routine evaluations in compliance with board policy. Board policy calls for these routine reviews to be near the midpoint of the consultants' contract terms, based on contract length and need.

Due to recent and scheduled Request for Proposal activity, no routine board consultant evaluations were scheduled for FY 2025/26. Mosaic will confer with the Committee leadership regarding the FY 2026/27 schedule.