



Regular Meeting

Item number 20b – Open session

Subject: Approval of Minutes of the March 5, 2026, Regular Meeting – Teachers’ Retirement Board – Open Session

Presenter(s): Chairperson

Item type: Consent action

Date and time: May 28, 2026– 0 minutes

Attachment(s): None

PowerPoint presentation(s): None

PROPOSED MINUTES

Teachers’ Retirement Board – Investment Committee Regular Meeting

March 5, 2026

OPEN SESSION

LOCATION: Board Room, 100 Waterfront Place, West Sacramento, CA 95605

BOARD MEMBERS PRESENT

Denise Bradford, Chairperson

Karen Yamamoto, Vice Chairperson

Michael Gunning

Sharon Hendricks

Steve Juarez

Harry Keiley

Ken Tang

Deborah Gallegos, representing the State Controller, Malia M. Cohen

Patrick Henning, representing the State Treasurer, Fiona Ma

Michele Perrault, representing the Director of Finance, Joe Stephenshaw

Geqigula Dlamini, representing the State Superintendent of Public Instruction, Tony Thurmond

OTHER BOARD MEMBERS PRESENT

Jennifer Whitaker, representing the Director of Finance, Joe Stephenshaw

STAFF PRESENT

Cassandra Lichnock, Chief Executive Officer
Brian J. Bartow, General Counsel
Lisa Blatnick, Chief Operating Officer
Scott Chan, Chief Investment Officer
Ashish Jain, Chief Technology Officer
David Lamoureux, Chief Actuary
Melissa Norcia, Chief Administrative Officer
Teresa Schilling, Chief Public Affairs Officer
Julie Underwood, Chief Financial Officer
Jeff Zimmer, Chief Benefit Officer
Jennifer Yamane, Assistant General Counsel, Investments

OTHER PRESENT

Dr. Param Vir Singh, Carnegie Mellon University
Amy McDuffee, Mosaic Governance Advisors
Kathy Kinley, CalRTA
John Anderson, CTA
Jesus Gutierrez, CTA
MaryKay Scheid, CTA
Don Stauffer, CTA/NEA-R
Peter Morse, FACCC
Leonard Goldberg, UTLA
Mark Allen
Angel Belden
Jennifer Baker
Scott Chin
Sarah Vigrass

A quorum being present, Chairperson Bradford called the Open Session meeting of the Teachers' Retirement Board meeting to order at 1:03 p.m.

I. APPROVAL OF AGENDA (Item 1)

MOTION duly made by Ms. Yamamoto, seconded by Mr. Henning, and carried to approve the Agenda.

Members Voting	Aye	Nay	Abstain
Mr. Gunning	X		
Ms. Hendricks	X		
Mr. Juarez	X		
Mr. Keiley	X		
Mr. Tang	X		
Ms. Yamamoto	X		
Ms. Gallegos, for the State Controller	X		
Mr. Henning, for the State Treasurer	X		

Ms. Perrault, for the Director of Finance	X		
Mr. Dlamini, for the Superintendent of Public Instruction	X		
Chairperson Bradford	X		

II. GOVERNING IN THE AGE OF AI: DEFINING THE BOARD’S ROLE (Item 2)

The board received a presentation on defining the board’s role and building AI fluency from Dr. Singh, including how many board members are digitally fluent and the appropriate level of AI fluency a board should have when considering decisions, risks and accountability. Dr. Singh elaborated on questions board members should ask, the focus and metrics to consider if AI is working, and the need for patience in seeing positive returns on AI. Dr. Singh provided an overview of a board’s role in AI governance, including strategic alignment, value framing, oversight and accountability, and how the board may best categorize AI risks.

The board discussed the steps that should be taken to become more AI fluent, including the appropriate use of external experts. The board also considered the challenges of addressing potential biases within AI, and the importance of focusing on the important principles to the organization and maintaining accountability for those principles. The board discussed the progression of AI, the appropriate speed of increasing AI governance within CalSTRS timeframe, and potential issues with sandbox trials. The board discussed potential concerns with AI as it relates to public records, and how board governance is relative for AI projects.

RECESS

The board recessed at 2:34 p.m. resumed at 2:45 p.m.

III. CHIEF EXECUTIVE OFFICER REPORT (Item 3)

The board received an update from Ms. Lichnock on the progress of the technology working group and the next steps, including a comprehensive report with a framework to clarify AI strategy as to each area within CalSTRS and to provide guidance for board and management roles.

Ms. Lichnock introduced David Lamoureux as the new Chief Actuary and member of the executive team, as of March 1st, and Kimberlee Pulido as the new Director of Service Retirement.

The board received an update from Mr. Zimmer on the stabilization of BenefitConnect and the ongoing efforts by staff to continue addressing any issues arising from the new system, including training internal staff less impacted to provide additional customer support, prioritization of issues by Ms. Blatnick, and increased communications as matters continue to stabilize.

IV. INNOVATION UPDATE (Item 4)

The board received an update from Ms. Blatnick on the strategic management goal of leading innovation and managing change, including the new Idea Accelerator portal

launched in January to encourage creative solutions and suggestions. The board also heard about the other Innovation Program projects, including high level development processes for non-generative and generative AI concepts.

Public Comment

Mr. Stauffer, CTA/NEA-R made a public comment concerning potential risks to integration of AI in CalSTRS systems.

Mr. Jain clarified that CalSTRS is not integrating any AI into BenefitConnect at this time.

Ms. Hendricks left the dais at 3:15 p.m.

V. CONSENT AGENDA - INFORMATION (Item 5)

- a. Sustainable Workforce Update
- b. State and Federal Legislation

Public Comment

Mr. Watson, California Charter Schools Association made public comment concerning remedies to address the effects of AB 1997.

VI. CONSENT AGENDA - ACTION (Item 6)

There was a request to pull items 6(a)(3) and 6(a)(5) for separate discussion and votes.

a. Committee Reports

- 1. Audits and Risk Management Committee:** The Audits & Risk Management Committee met on Thursday, March 5, 2026. The committee interviewed the qualified finalists for the Audits and Risk Management (ARM) Committee Consultant. After careful questioning, deliberation and consideration, the committee selected and approved Robert Yetman, Ph.D. to serve as the ARM Committee Consultant, with a contract period to begin July 1, 2026. The committee considered and provided input on the ARM Committee work plan for Fiscal Year 2026-2027. The committee received the Enterprise Risk Management report. The committee received a presentation on the Enterprise Risk Management and Compliance Services work plan for Fiscal Year 2026-2027. The Committee received a presentation from Crowe LLP regarding its Client Service Plan for performing an audit of CalSTRS basic financial statements for the year ending June 30, 2026. The committee received, considered, and approved the proposed changes to the Audit Services audit plan for Fiscal Year 2025-2026 and the Audit Services audit plan for Fiscal Year 2026-2027.

MOTION duly made, on behalf of the Audits and Risk Management Committee, and carried to adopt the amended

2025-26 Audit Services audit plan and 2026-2027 Audit Services audit plan.

Members Voting	Aye	Nay	Abstain
Mr. Gunning	X		
Mr. Juarez	X		
Mr. Keiley	X		
Mr. Tang	X		
Ms. Yamamoto	X		
Ms. Gallegos, for the State Controller	X		
Mr. Henning, for the State Treasurer	X		
Ms. Perrault, for the Director of Finance	X		
Mr. Dlamini, for the Superintendent of Public Instruction	X		
Chairperson Bradford	X		

a. Committee Reports

2. **Compensation Committee:** The Compensation Committee met on Thursday, March 5, 2026. The committee received a presentation on the Labor Market Benchmarking Study for Statutory Positions Under the Board’s Compensation Setting Authority.

MOTION duly made on, behalf of the Compensation Committee, and carried to adopt the proposed increases to the maximum incentive for the General Counsel and System Actuary, as well as the adoption of maximum incentives for investment positions as presented in Alternative A in the materials in Item 2, to be effective July 1, 2026.

Members Voting	Aye	Nay	Abstain
Mr. Gunning	X		
Mr. Juarez	X		
Mr. Keiley	X		
Mr. Tang	X		
Ms. Yamamoto	X		
Ms. Gallegos, for the State Controller		X	
Mr. Henning, for the State Treasurer			X
Ms. Perrault, for the Director of Finance			X
Mr. Dlamini, for the Superintendent of Public Instruction	X		
Chairperson Bradford	X		

a. Committee Reports

3. **Investment Committee:** The Investment Committee met in Open Session on January 29, 2026, and received the Chief Investment Officer’s Report, received and approved (by consent) the Private

Equity Consultant Request for Proposal, and received the CalSTRS Stewardship Priorities Annual Update.

4. The Investment Committee met in Open Session on Wednesday, March 4, 2026. The committee heard statements from the public. The committee received the Open Session Chief Investment Officer’s Report. The committee received a presentation on CalSTRS’ Shared Vision. The committee received the Semi-Annual Performance Reports. The committee approved the minutes of the January 29, 2026, Investment Committee Meeting – Open Session. The committee received and reviewed the draft agenda for the next meeting.
5. **Appeals Committee:** There was no Appeals Committee meeting.
6. **Board Governance Committee:** There was no Board Governance Committee meeting.
 - a. **Approval of Minutes of the January 28, 2026, Regular Meeting – Open Session**
 - b. **Board Member Education**
 - c. **Contracts Requiring Board Approval**

MOTION duly made by Ms. Yamamoto, seconded by Mr. Dlamini, and carried to approve the remaining Consent Agenda.

Members Voting	Aye	Nay	Abstain
Mr. Gunning	X		
Mr. Juarez	X		
Mr. Keiley	X		
Mr. Tang	X		
Ms. Yamamoto	X		
Ms. Gallegos, for the State Controller	X		
Mr. Henning, for the State Treasurer	X		
Ms. Perrault, for the Director of Finance	X		
Mr. Dlamini, for the Superintendent of Public Instruction	X		
Chairperson Bradford	X		

VII. ITEMS REFERRED BY COMMITTEE FOR BOARD DECISION (Item 7)

There were no items referred by committee for board decision.

VIII. NEW BUSINESS/REVIEW OF INFORMATION REQUESTS (Item 8)

Pursuant to item 2, there was a request for definitions for AI terminology used for CalSTRS projects; and to provide plans to obtain appropriate staffing, expertise and resources needed to address budgeting and support relative to AI.

IX. DRAFT AGENDA FOR NEXT MEETING (Item 9)

Ms. Lichnock provided brief updates for the next meeting.

X. OPPORTUNITY FOR STATEMENTS FROM THE PUBLIC (Item 10)

There were no further public comments.

XI. ADJOURNMENT

There being no further business to conduct, Chairperson Bradford adjourned the meeting at 3:30 p.m.

Cassandra Lichnock, Chief Executive Officer
And Secretary to the Teachers' Retirement Board

Denise Bradford, Chairperson

Prepared by: Jennifer Yamane, Assistant General Counsel, Investments