
CALSTRS ANNUAL BUSINESS PLAN AND INVESTMENTS ANNUAL BUSINESS PLANS 2023–24

Attachment(s): Attachment 1 – CalSTRS 2023–24 Business Plan

Attachment 2 – 2023–24 Investments Branch Business Plans

PowerPoint(s): PowerPoint 1 – 2023–24 CalSTRS Business Plan

ITEM PURPOSE

The purpose of this item is to present the *2023–24 CalSTRS Business Plan* and the 2023–24 Investments Branch business plans.

EXECUTIVE SUMMARY

The organization-wide business plan describes the actions staff will take this fiscal year to implement the Teachers’ Retirement Board’s strategic vision as described in the *2022–25 CalSTRS Strategic Plan*.

The Investments Branch plans share the steps each asset class expects to execute in the coming year.

BACKGROUND

2023–24 CalSTRS Business Plan

The board adopted the *2022–25 CalSTRS Strategic Plan* in March 2022. The strategic plan established the objectives we plan to attain over the next three years, setting us on a path toward the board’s 10-year vision of success.

Each year, staff develop a business plan that aligns with the strategic plan and board and committee workplans. The annual business plan describes the key activities we are working on this fiscal year to implement the strategic plan.

The business plan aligns with the three high-level goals adopted by the board and the objectives the board identified to support each:

Goal 1 Trusted stewards	Goal 2 Leading innovation and managing change	Goal 3 Sustainable organization
Ensure a well-governed, financially sound trust fund.	Innovate to grow resiliency and efficiency in service of our members.	Fully integrate a unified environmental, social and governance ethos in all we do.

Under the *2023–24 CalSTRS Business Plan*, several long-term initiatives that began in prior years will continue, accompanied by new initiatives that will advance the current broad focus on assessing and building our capabilities. Our resources will be focused on initiatives including implementing the board’s net zero pledge and CalSTRS Collaborative Model 2.0; deepening our strategic partnerships; pursuing innovation to best serve our members; and progressing as recognized leaders in sustainability, ESG, and diversity, equity and inclusion.

2023–24 Investments Branch Business Plans

Annual business plans are a key part of the Investments Branch culture of operating like a money manager rather than a traditional state government agency. They have been a core business practice of the branch for the past 25 years.

While the COVID experience has taught us how difficult it is to predict the future, the Investments Branch leadership develops a 10-year financial budget plan to manage the overall costs and project the growth in the team and resources needed to manage the fund.

NEXT STEPS

Staff will report to the board on several of the initiatives in the business plan through board items scheduled in the coming year. And each fall, the progress of the previous year’s business plan is summarized in the *Strategic Plan Accomplishments Report*.

Strategic Plan Linkage: The *2023–24 CalSTRS Business Plan* supports all three main goals and each objective of the *2022–25 CalSTRS Strategic Plan*.

Board Policy Linkage: CalSTRS Board Governance Manual: Section 2. Board Governance – Part D, Board Member Responsibilities: Strategic Planning Policy.

Optional Reference Material: [2022–25 CalSTRS Strategic Plan](#)