

Attachment to BGOV Action Item – Policy Revisions
Makes revisions to the Consultant Evaluation Policy
As of February 1, 2023

Section 2 (Board Governance). K: Consultant Evaluation Policy

1. The board retains consultants in accordance with applicable law¹ and in the board's discretion to provide independent information and advice on strategic and policy issues. Consultants are directed by and are accountable to the board, a board committee, or, in some cases, both, as determined by the board. The board shall strive to periodically review the types of consultants it uses and the consultant services it receives to ensure it has access to the expertise needed to fulfill its responsibilities.
2. To continually optimize the value of consultant services provided to CalSTRS, the board shall conduct routine evaluations of its consultants at a time that is appropriate, based on contract length and need. The board shall strive to conduct evaluations near the midpoint of the consultants' contract terms.
3. Annually, the board governance committee leadership shall develop a routine consultant evaluation schedule in accordance with this policy, communicate it to the board, and work with the leadership of the board or appropriate committee to facilitate scheduling. Requests for off-cycle evaluations may be made by any board member and directed to the leadership of the board or applicable committee for consideration.
4. The leadership of the board or applicable committee sets and oversees the evaluation process. The process may include, but is not limited to, the following criteria and working methods.

Examples of Evaluation Criteria:

- Fulfillment and continued reasonableness of scope.
- Sufficiency of knowledge of their industry and CalSTRS circumstances.
- Timeliness, responsiveness, and proactiveness.
- Professionalism.
- Efficacy of verbal and written communications.
- Quality of work product, including advice tailored to CalSTRS.
- Quality of interaction with the board, its applicable committees, and staff.

Examples of Working Methods:

- Direct the board governance consultant to assist in the implementation of the process. In the case of the board governance consultant's evaluation, direct the CEO or their designee.
- Gather preliminary evaluation feedback from all applicable board members.
- Gather preliminary evaluation feedback from staff that interact with the consultant.
- Request a self-assessment from the consultant.

¹ CA Education Code, Teachers' Retirement Law § 22353(a).

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5. The leadership of the board or applicable committee is responsible for communicating evaluation results to the consultant that reflect the voice of the board or committee, reporting to the board, and ensuring relevant information is communicated to staff.
6. The leadership of the board or applicable committee will encourage the onboarding of new consultants to set expectations concerning the working relationship, including the evaluation process as set forth in this policy.

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