



# Board Governance Committee

## Agenda Item 6a

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**March 17, 2026**

**Item Name:** Board Skills Matrix Discussion

**Program:** Board Governance

**Item Type:** Information

### **Executive Summary**

Both corporate and non-profit boards utilize skills matrices to set forth the key skills for their organization and indicate which members have those skills. The Board President requested that this item be brought to the Committee so that members of the Committee could have an opportunity to discuss the potential benefit of creating and utilizing a skills matrix for the Board of Administration.

### **Background and Analysis**

Various methods have been created to assist boards with assessing their effectiveness. A recent development among those is the creation of a skills matrix. Common to all matrices is an intersection between the skills important to an organization and the experience/expertise of members of the organization's board. A common implementation of a skills matrix is a table with columns representing each board member and each row representing a particular skill that is key to the organization. A simplified version is illustrated below:

	Member 1	Member 2	Member 3	Member 4	Member 5
Skill 1					
Skill 2					
Skill 3					
Skill 4					

Boards regularly use these to satisfy a variety of needs: to inform stakeholders about the nature and qualifications of the board; to assess the skills of board members and the board itself; to identify areas where board members may need additional education or development. Potential skills relevant to CalPERS could include some combination of the following:

- Fiduciary and Ethics
- Investments
- Pension and Health Benefits Administration
- Risk Management
- Financial Reporting and Audit
- Technology and Cybersecurity
- Governance and Strategic Planning
- Actuarial
- Legal/Regulatory

Like corporate and non-profit boards, the CalPERS Board may choose to use a skills matrix as a tool to assess the overall effectiveness of the Board and its members, and/or identify areas where board education would be most useful. Unlike corporate and non-profit boards, which actively recruit future board members and have substantial discretion over who serves on their boards, the membership of the CalPERS Board is fixed by statute. Changes to the Board's composition are further limited by the California Constitution. While a skills matrix would thus have less utility for recruitment, it could provide a useful framework both for members running for election to the Board to advertise their specific qualifications, and could be of use to the Governor and members of the Assembly and Senate in selecting future appointees.

### **Benefits and Risks**

For the Committee's discussion.

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Robert Carlin  
Senior Attorney

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Renee Salazar  
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Chief Executive Officer