Board of Administration

Agenda Item 9b

November 18, 2026

Item Name: Board Self-Assessment

Program: Board Governance

Item Type: Information

Executive Summary

This agenda item will present the findings and key themes from the 2026 Board Self-Assessment

Strategic Plan

This agenda item supports the 2022-2027 Strategic Plan goals “Pension Sustainability” and “Organizational Excellence.”

Background

The CalPERS Board Governance Policy requires that the Board complete a self-assessment every two years. The most recent Board self-assessment was presented in March 2024 and was facilitated through the National Association of Corporate Directors (NACD). The current Board self-assessment was completed this fall. 100% of Board members completed self-assessment questionnaires and NACD faculty member, Cari Dominguez, conducted one-on-one interviews with participants contingent upon participant availability. CalPERS’ Board self-assessment centered around five core governance competencies:

- Board Structure
- Operational Oversight
- Talent Oversight and CEO Succession
- Strategy Oversight
- Risk Management and Oversight

Analysis

As fiduciaries for the largest public pension fund in the United States, it is imperative that CalPERS Board members have the knowledge, skills, and expertise necessary to govern effectively. The Board self-assessment process provides the opportunity to identify priorities for

enhancing effectiveness and governance enhancements. The following were identified as priorities for enhancing effectiveness over the next two years:

- CEO succession readiness
- Active monitoring and response to emerging risk
- Focus on innovation
- Fostering a board culture of trust, transparency, collaborative respect, and accountability
- Expanding communications among board members and executive leadership
- Enhanced meeting preparation

Budget and Fiscal Impacts

The Board Services Unit budgeted approximately $85,000 for the CalPERS 2026 Board self-assessment.

Benefits and Risks

The benefits of conducting and reviewing the Board self-assessment is that this practice and recommendations provide a continued focus on process improvement, and the opportunity to consider and make governance enhancements. The risk of not conducting and reviewing the Board self-assessment is the lost opportunity to improve board processes and the function of the Board as a governing body, as well as the potential lack of knowledge related to opportunities for enhancements to board governance.

Attachments

Attachment 1 – Board Self-Assessment

The Honorable Cari M. Dominguez
NACD Faculty Member
National Association of Corporate Directors

Marcie Frost
Chief Executive Officer