



# Regular Meeting

Item number 11d – Open session

**Subject:** Contracts Requiring Board Approval

**Presenter(s):** Chairperson

**Item type:** Consent action

**Date and time:** January 9, 2025– 0 minutes

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**Attachment(s):** None

**PowerPoint presentation(s):** None

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## **Contract requiring board approval**

### 1. Presidio Networked Solutions Group, LLC

Title:	Network Switch Refresh
Contract Number:	To Be Determined
Term:	To Be Determined
Total Contract Amount:	Up to \$3,000,000.00
Source of Funds:	Support Appropriation
Branch Executive:	Ashish Jain

### **Purpose**

Staff request board approval of the award of a contract to provide the hardware and services required to refresh the current CalSTRS network switch infrastructure, which is approaching the end of its useful life.

### **Background**

CalSTRS is securing products and services to replace the current CalSTRS network switch infrastructure, which provides all CalSTRS users and contractors at the headquarters access to the most critical services to conduct their business operations. The current network switch infrastructure, which was implemented in 2017, is approaching the end of its useful life and cannot satisfy CalSTRS existing and future network needs. Vendor support for our current network products is scheduled to end in October of 2025. Currently, it has become extremely difficult to find compatible replacement parts for repairs and maintenance. Due to the

aforementioned constraints and limitations, staff is proposing to replace the existing network switch infrastructure with current technology that will meet CalSTRS future needs while allowing for greater expandability, maintainability and sustainability.

CalSTRS staff will utilize the State of California's existing Statewide Contract for procuring the required network switch hardware and services needed for implementation. By leveraging the Statewide Contract, CalSTRS receives the benefits of the competitive pricing obtained by the State of California. The Statewide Contract also allows CalSTRS to reduce the time and complexity to procure the hardware and services by giving CalSTRS the ability to leverage an agreement with predefined terms.

### **Contract amendment requiring board approval**

#### 2. Accenture LLP

Title:	Innovation Consultant Contract
Contract Number:	4400004203, A-1
Term:	March 01, 2023, through February 28, 2026
Current Contract Amount:	\$3,750,000.00
Amendment Amount:	\$4,200,000.00
Proposed Contract Amount:	\$7,950,000.00
Source of Funds:	Support Appropriation
Branch Executive:	Cassandra Lichnock

### **Purpose**

This amendment request is for additional funding of \$4,200,000.00 for CalSTRS' innovation consultant (Accenture LLP).

### **Background**

Culture and technology are both enablers of innovation and work together to drive innovation. An organization-wide innovation culture-building effort will allow us to be more responsive to shifts in the environment while serving our members and internal business partners while driving value.

During the July Board offsite, the consensus was that CalSTRS should position itself as an "Early Adopter" on the AI innovation curve. This approach enables us to actively explore AI's potential while responsibly addressing the associated risks. The board and executive staff agreed on the necessity of a strategic, business-driven approach to AI adoption, focusing on responsible and sustainable practices.

The amendment will expand the scope of the Accenture LLP contract to include culture and GenAI services. They will develop a framework and an implementation plan to create an innovation culture at CalSTRS and embed new ways of working into the organization. Amending this contract will allow us to work with Accenture LLP to develop a GenAI Change

Management Playbook, provide training at various levels and AI solution configuration and deployment.

**Recommendation**

Staff recommends the board approve the above contract and amendment items.

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Board Policy linkage: The Teachers' Retirement Board delegation to the Chief Executive Officer requires that the board approve: all non-investment contracts with a cumulative value exceeding \$1,000,000; all non-competitive bid contracts with a cumulative value exceeding \$100,000; and any contract amendment exceeding 15% of the cumulative value previously approved by the board exceeding \$1,000,000.

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**Optional reference material:** N/A