
JUNE 29, 2015

AGENDA ITEM 05
ACTION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Amendment to Resolution No. 2015-06: Amendment to the Resolution of the California Secure Choice Retirement Savings Investment Board Relating to the Approval to Amend Agreement CSCRSIB03-14 with Overture Financial LLC for Market Analysis, Feasibility Study, and Program Design Consultant Services

Presenter

Christina Elliott, Acting Executive Director

Background

At the June 2015 California Secure Choice Retirement Savings Investment Board (“Board”) meeting, the Board authorized the Acting Executive Director to execute an amendment to Agreement No. CSCRSIB03-14 (“the agreement” or “the contract”), the contract between the Board and Overture Financial LLC (“Overture Financial”) for market analysis, feasibility study, and program design consultant services. The amendment was needed in order to extend the term of the agreement to January 31, 2016 to allow sufficient time to complete the project and replace personnel providing services under the contract.

Because of the delayed contract start date and term extension, indirect costs incurred for the UC Berkeley Center for Labor Research and Education budgeted for the 2014-15 Fiscal Year were below Overture Financial’s cost proposal while some of the costs will instead be incurred in the 2015-16 Fiscal Year. The revised budget re-allocates nineteen percent of the indirect cost line item across fiscal years accordingly, without a change in the total indirect cost amount or total contract amount.

Staff recommendation

Secure Choice staff recommends the Board approve the Amendment to Resolution No. 2015-06, relating to the approval to amend agreement CSCRSIB03-14 with Overture Financial LLC for market analysis, feasibility study, and program design consultant services.

Attachments

- Attachment #1 – Amendment to Resolution No. 2015-06
- Attachment #2 – Contract Amendment (STD 213A), including amended budget

AMENDMENT TO RESOLUTION NO. 2015-06

**AMENDMENT TO THE RESOLUTION OF THE CALIFORNIA SECURE CHOICE
RETIREMENT SAVINGS INVESTMENT BOARD RELATING TO THE APPROVAL TO
AMEND AGREEMENT CSCRSIB03-14 FOR MARKET ANALYSIS, FEASIBILITY STUDY,
AND PROGRAM DESIGN CONSULTANT SERVICES**

WHEREAS, the California Secure Choice Retirement Savings Investment Board (the “Board”) is established under SB 1234 (Chapter 734, 2012; codified under Government Code section 100000 et seq.) and mandated to conduct a market analysis to determine whether the necessary conditions for implementation of the California Secure Choice Retirement Savings Trust Act (the “Act”) can be met, provided that the Board shall conduct the market analysis only if sufficient funds to initiate and complete the required market analysis are made available through a nonprofit or private entity, or from federal funding;

WHEREAS, Government Code section 100042 provides, in part, that the Act shall become operative only if the Board determines that, based on the market analysis, the provisions of the Act will be self-sustaining, and funds are made available through a nonprofit or other private entity, federal funding, or an annual Budget Act appropriation in amounts sufficient to allow the Board to implement the Act until the California Secure Choice Retirement Savings Trust has sufficient funds to be self-sustaining;

WHEREAS, Government Code section 100043 provides that the Board shall not implement the California Secure Choice Retirement Savings Program (the “Program”) if the Individual Retirement Account or Individual Retirement Annuity (collectively “IRA”) arrangements offered fail to qualify for the favorable federal income tax treatment ordinarily accorded to IRAs under the Internal Revenue Code, or if it is determined that the Program is an employee benefit plan under the federal Employee Retirement Income Security Act;

WHEREAS, the Board has entered into Agreement No. CSCRSIB03-14 (the “Agreement”) with Overture Financial LLC for the necessary market analysis, including feasibility study and program design for purposes of the market analysis and legal analysis (the “project”);

WHEREAS, the effective date of the Agreement is the date of approval by the Department of General Services, April 22, 2015, and the Agreement was accordingly amended to extend the term through January 31, 2016 to provide sufficient time to complete the project; and

WHEREAS, the unanticipated delayed contract start date resulted in redirection of indirect costs incurred from Fiscal Year 2014/15 to Fiscal Year 2015/16 for one of the subcontractors, UC Berkeley Center for Labor Research and Education;

NOW, THEREFORE, BE IT RESOLVED that the Acting Executive Director is hereby directed and authorized to prepare and take whatever steps necessary to execute an amendment to the Agreement to revise the indirect cost budget.

Attest: _____
Chairperson

Date of Adoption: _____

STANDARD AGREEMENT AMENDMENT

STD. 213 A (Rev 6/03)

 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 1 Pages

AGREEMENT NUMBER	AMENDMENT NUMBER
CSCRSIB03-14	2
REGISTRATION NUMBER	

- This Agreement is entered into between the State Agency and Contractor named below:
STATE AGENCY'S NAME
California Secure Choice Retirement Savings Investment Board
CONTRACTOR'S NAME
Overture Financial, LLC
- The term of this Agreement is 4/22/15 - through 1/31/16
- The maximum amount of this Agreement after this amendment is: \$ 498,366.04
Four Hundred Ninety-Eight Thousand Three Hundred Sixty-Six Dollars and Four Cents
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

Attachment B.1 - Contractor's Cost Proposal is revised to change the Indirect Costs for subcontractor, UC Berkeley Center for Labor Research and Education (CLRE), as attached hereto.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) Overture Financial, LLC		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Samir Kabbaj, Chief Operating Officer		
ADDRESS 1440 Broadway, 23rd Floor, New York, NY 10018		
STATE OF CALIFORNIA		
AGENCY NAME California Secure Choice Retirement Savings Investment Board		<input type="checkbox"/> Exempt per:
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Christina Elliot, Acting Executive Director		
ADDRESS 915 Capitol Mall, Room 110, Sacramento, CA 95814		

UC Berkeley Center for Labor Research and Education (CLRE) Cost Proposal for
California Secure Choice Retirement Savings Investment Board RFP No. CSCRSIB03-14

Project Timeline: 4/22/2015 - 1/31/2016

DIRECT COSTS
Personnel- Salaries

Role	Name	Hourly	#Hours	Cost
Principal Investigator (PI)	Ken Jacobs	\$ 49.80	80	\$ 3,984.00
Key Researcher	Nari Rhee	\$ 39.99	640	\$ 25,593.60
Data Modeler	David Graham-Squire	\$ 28.99	120	\$ 3,478.80
Graduate Student Researcher, Step II	TBD	\$ 17.30	260	\$ 4,498.00
Grant Services	Hadidjah Rivera	\$ 46.67	27.73	\$ 1,294.16
Salary Total				\$ 38,848.56

Personnel - Benefits

Role	Name	Benefit Rate	Cost
Principal Investigator (PI)	Ken Jacobs	34.0%	\$ 1,354.56
Researcher	Nari Rhee	34.0%	\$ 8,701.82
Researcher	David Graham-Squire	42.1%	\$ 1,464.57
Graduate Student Researcher, Step II	TBD	0.0%	\$ -
Grant Services	Hadidjah Rivera	42.1%	\$ 544.84
Benefits Total			\$ 12,065.80

Personnel Costs Total \$ 50,914.36

Other Direct Costs

GAEL (insurance)	\$ 349.64
Supplies	\$ 1,000.00
Travel	\$ 1,000.00
Other Direct Costs Total	\$ <u>2,349.64</u>

TOTAL DIRECT COST **\$53,264.00**

INDIRECT COSTS

	Direct Cost	Indirect Rate	Cost
FY 2015	\$ 16,512.74	56.5%	\$ 9,329.70
FY 2016	\$ 36,754.16	57.0%	\$ 20,899.27

TOTAL INDIRECT COST **\$30,227.32**

TOTAL CLRE COST **\$83,491.32**
