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MAY 26, 2015

AGENDA ITEM 02  
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

*Acting Executive Director's Report*

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***Presenter***

Christina Elliott, Acting Executive Director

***This will be an oral update***

***Attachments***

- Attachment #1 – Fundraising Progress
- Attachment #2 – Secure Choice Fund Balance
- Attachment #3 – KL Gates Budget
- Attachment #4 – Business Plan

## California Secure Choice Fundraising Progress as of May 8, 2015

LJAF \$100,000	Ford Foundation \$100,000	\$1 million received to date
LJAF \$189,000	PEW \$39,000	
	CTA \$100,000	
	The California Endowment \$50,000	
LJAF \$111,000	AARP \$60,000	
	Steve Westley \$1,000	
	Sen. Lieu \$50,000	
LJAF \$100,000	SEIU \$100,000	

### California Secure Choice High-Level Budget

Description	Cost
Work performed under the Interagency Agreement with the State Treasurer's Office (assumes \$1,200/month for 24 months)	\$28,800
Legal Services Contract	\$275,000
Market Analysis Contract	*\$500,000
Contingency reserve for additional work that might be required through contract amendments	\$196,200
<b>Total</b>	<b>\$1,000,000</b>

\*This figure is rounded up

**CA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD**  
**FUND MANAGER'S REPORT - FUND 8081**  
**AS OF: April 30, 2015 FM 10**

**Cash Tracking**

	<u>BALANCE FORWARD</u>	<u>CURRENT MONTH</u>	<u>INCEPTION TO DATE</u>
<b><u>CASH RECEIPTS:</u></b>			
Funds from NonProfit / Private	\$800,000.00	\$100,000.00	\$900,000.00
SMIF Interest	\$222.00	\$336.19	\$558.19
	\$800,222.00	\$100,336.19	\$900,558.19

**FUND CASH**

CASH BALANCE AS OF: 3/31/15			\$782,684.44
<b>ADD:</b>			
Cash Receipts			\$100,336.19
<b>SUBTRACT:</b>			
Expenditures:			
Current Year Expenditures		(\$33,327.00)	
Prior Year Expenditures		(\$340.00)	
Prior Year Accrual Adjustments		\$0.00	
FSCU Assessment		\$0.00	
Prorata		\$0.00	
Total Expenditures			(\$33,667.00)
<b>CASH BALANCE AS OF: 4/30/15</b>			<b>\$849,353.63</b>

**Appropriation Tracking**

	Expenditures			Inception to Date	Total
	Bal. Forward	Current Month	Date		
Secure Choice Retirement Savings Support					\$1,000,000.00
FY 13/14	(\$5,776.24)	(\$340.00)	(\$6,116.24)		
FY 14/15	(\$6,949.44)	(\$33,327.00)	(\$40,276.44)		
FY 15/16	\$0.00	\$0.00	\$0.00		
<b>Total Expenditures</b>					(\$46,392.68)
<b>Total Outstanding Encumbrance</b>	\$0.00	(\$311,694.24)			(\$311,694.24)
<b>Support Costs Available Balance (Remaining Appropriation)</b>					<b>\$641,913.08</b>

Prepared By: Rebekah Riley  
05/12/15

**KL Gates Budget Tracking Sheet**

Task	Subtask	Code	Projection	March	April	May	June	July	August	September	October	Actual	Remaining amount
<b>IRS Ruling</b>	Review materials from client	IR001	\$ 10,000.00	\$ 488.00								\$ 488.00	\$ 9,512.00
	Evaluate potential IRS Ruling topics and review with client	IR001	\$ 10,000.00									\$ -	\$ 10,000.00
	Potential IRS Pre-Submission/Potential call or meeting	IR001	\$ 10,000.00									\$ -	\$ 10,000.00
	Preparation of submission and review of drafts	IR001	\$ 20,000.00									\$ -	\$ 20,000.00
	Finalization of submission to IRS	IR001	\$ 10,000.00									\$ -	\$ 10,000.00
	Other	IR001	\$ -									\$ -	\$ -
<b>ERISA Ruling</b>	Review materials from client	ER001	\$ 10,000.00	\$ 2,962.80								\$ 2,962.80	\$ 7,037.20
	Evaluate potential DOL Ruling topics and review with client	ER001	\$ 10,000.00	\$ 6,313.30	\$ 2,570.40							\$ 8,883.70	\$ 1,116.30
	Potential DOL Pre-Submission/potential call or meeting	ER001	\$ 10,000.00	\$ 2,986.90								\$ 2,986.90	\$ 7,013.10
	Prepare Advisory Opinion Request	ER001	\$ 25,000.00									\$ -	\$ 25,000.00
	Finalization of submission to DOL	ER001	\$ 10,000.00									\$ -	\$ 10,000.00
	Memos/Communication with DOL	ER001	\$ -	\$ 2,565.00	\$ 26,198.80							\$ 28,763.80	\$ (28,763.80)
	Meet with DOL	ER001	\$ -	\$ 6,627.00								\$ 6,627.00	\$ (6,627.00)
	Other	ER001	\$ -	\$ 439.20								\$ 439.20	\$ (439.20)
<b>Legal Issues Advice</b>	Investment/Insurance Products	LI001	\$ 10,000.00	\$ 4,320.00	\$ 877.50							\$ 5,197.50	\$ 4,802.50
	Securities Law Advice	LI001	\$ 20,000.00									\$ -	\$ 20,000.00
	Other	LI001	\$ 10,000.00									\$ -	\$ 10,000.00
<b>Coordination Activity</b>	Communication with Consultants	CA001	\$ 5,000.00	\$ 3,040.00	\$ 1,012.50							\$ 4,052.50	\$ 947.50
	Other	CA001	\$ 5,000.00	\$ 267.60	\$ 267.60							\$ 535.20	\$ 4,464.80
<b>Ongoing Compliance/IRS/DOL Advice</b>	General compliance advice	OC001	\$ 10,000.00		\$ 405.00							\$ 405.00	\$ 9,595.00
	IRS/DOL advice	OC001	\$ 10,000.00		\$ 3,056.80							\$ 3,056.80	\$ 6,943.20
<b>Board Attendance</b>	Discussion with staff/Board (as directed)	BA001	\$ 10,000.00		\$ 872.70							\$ 872.70	\$ 9,127.30
	Attendance at Meetings (in person/phone)	BA001	\$ 40,000.00		\$ 10,800.00							\$ 10,800.00	\$ 29,200.00
	Memos/Communications with staff/Board	BA001	\$ 10,000.00	\$ 2,782.00								\$ 2,782.00	\$ 7,218.00
				\$ 32,791.80	\$ 46,061.30							\$ 78,853.10	



## 2015 Secure Choice Business Plan

Item #	Strategic Goal	Supporting task	Lead	Due date	Status	Comments
1.0	Conduct Legal Analysis		Christina			
1.1		Obtain Board approval for Legal Counsel	Eric	2/5/2015	Green	Complete
1.2		Obtain DGS approval of contract	Eric	3/5/2015	Green	Complete
1.3		Facilitate collaboration amongst contracting firms	Christina	on-going	Green	Kick-off meeting between firms occurred early May 2015
1.4		Memo on ERISA issues and recommendations for new language, if any	KLG	TBD	Green	
1.5		Submit advisory opinion requests to US Department of Labor and Treasury	KLG	7/5/2015	Green	
1.5a		Opinion should support that Program is not subject to ERISA	KLG	7/5/2015	Green	
1.5b		Opinion should support that program accounts will be given favorable tax treatment	KLG	7/5/2015	Green	
1.6		Consult with Overture LLC on results of market analysis/feasibility study and program design recommendations	Christina	10/5/2015	Green	
1.7		Ensure Program is not subject to ERISA	KLG	1/1/2016	Green	
2.0	Secure Choice Market Analysis/Feasibility Study/Program Design		Christina			
2.1		Evaluate proposals from RFP	Eric	2/5/2015	Green	Complete
2.2		Obtain board approval of vendor for study	Eric	3/5/2015	Green	Complete

## 2015 Secure Choice Business Plan

2.3		<b>Obtain DGS approval of contract</b>	Eric	4/5/2015	Red	Contract was approved late - (4/22/15), but this item is now complete.
2.4		<b>Faciliate collaboration amongst contracting firms</b>	Team/ Christina	on-going	Green	
2.5		<b>Complete study</b>	Overture	12/14/2015	Green	We are seeking Board approval to extend the contract through January 2016
2.6		<b>Present study to the Secure Choice Board</b>	Overture	12/28/2015	Yellow	This is a tight deadline, as we get closer to the completion of the study we may push this out to January 2016.
2.7		<b>Board presents findings and recommendations to the Legislature</b>	Board with staff reco	1/5/2016	Yellow	Depending on Board direction, this may need to get pushed out to February 2016.
3.0	<b>Obtain \$1 million fundraising target</b>		Grant			
3.1		<b>Begin fundraising activities and outreach</b>	Eric	1/1/2013	Green	Complete
3.2		<b>Follow up with interested parties/donors</b>	Eric	on-going	Green	Complete
3.3		<b>Begin obtaining donations</b>	Eric	on-going	Green	Complete
3.4		<b>Create list of donors and requirements of communication regarding our projects</b>	Eric	on-going	Green	Complete - we reached our fundraising target in early May 2015 and will be sending all of our funders a letter to update them.
3.4a		Letter to Ford Foundation	Eric	quarterly	Green	On-going efforts: Due dates for letters: July 15th, October 15th, January 15th, April 15th.

## 2015 Secure Choice Business Plan

<b>3.4b</b>		Letter to Laura and John Arnold Foundation	Eric		Green	Complete
<b>3.4c</b>		Letter to Pew	Eric		Green	Complete
<b>3.4d</b>		Letter to SEIU	Eric		Green	Complete
<b>4.0</b>	<b>Ensure Stakeholder and Constituent Involvement</b>		Christina			
<b>4.1</b>		<b>Complete Fact Sheet on Program to send to interested parties</b>	Ruth	3/5/2015	Green	Complete
<b>4.2</b>		<b>Conduct various educational sessions for the Board on Policy Issues the Board should be considering this year</b>	Ruth	3/31/2016	Green	On-going throughout calendar year 2015.
<b>4.2a</b>		Issue Briefing 1: Overview of Retirement Crisis in California	Ruth	4/27/2015	Green	Panel has been confirmed
<b>4.2b</b>		Issue Briefing 2: Comparable Programs	Ruth	5/26/2015	Green	Panel has been confirmed
<b>4.2c</b>		Issue Briefing 3: Governance Issues	Ruth	6/22/2015	Green	Panel being developed as of 5/14/15
<b>4.2d</b>		Issue Briefing 4: Developing Investment Principles and Policies	Ruth	7/27/2015	Green	Panel being developed as of 5/14/15
<b>4.2e</b>		Issue Briefing 5: Investment Products and Impact of Design features on Participation and Contribution Rates	Ruth	8/24/2015	Green	To be developed soon
<b>4.2f</b>		Issue Briefing 6: Strategies for Maximizing Participation of Employees and Employers	Ruth	9/28/2015	Green	To be developed soon
<b>4.2g</b>		Issue Briefing 7: Small Business and Non-Profit Administration	Ruth	10/26/2015	Green	To be developed soon
<b>4.3</b>		<b>Conduct statewide outreach to interested parties</b>	Ruth	on-going	Green	

## 2015 Secure Choice Business Plan

4.3a		Listening session in Northern California (San Francisco), hosted by CAPC	Ruth	5/20/2015	Green	Working with Debbie M from the California Women's Small Business group, event confirmed.
4.3b		Listening session, hosted in Southern California, hopefully working with local chambers	Ruth	TBD	Green	Working with Cindy Pollard for a Bakersfield event
4.4		<b>Secure Choice Website Usability</b>	Christina	TBD	Green	
4.4a		Create list of features for website	Team/ Christina	TBD	Green	
4.4b		Work with IT to get a timeline of availability so that we can ensure better website usability by due date	Team	TBD	Green	
4.4c		Stakeholder survey: survey the board on features they would like to see on the website in the coming year	Team	TBD	Green	
4.4d		Present results of survey to the board with recommendations for implementation of reasonable requested features	Christina	TBD	Green	
4.5		<b>Recruit stakeholder representatives to testify at each monthly Board Meeting</b>	Ruth	5/1/2015 & On-going	Green	
4.6		<b>Build coalition of at least 30 stakeholders/interested parties representing small business, non-profits, and groups serving the target populations</b>	Ruth	1/1/2016	Green	
4.7		<b>Develop Pre-Product/Post-Product Communication Plan</b>	Ruth	6/19/2015	Green	
4.7a		Identify Key Stakeholders	Ruth	5/15/2015		

## 2015 Secure Choice Business Plan

		Create Fact Sheet for key audiences: business/low-income/employers	Ruth			
<b>4.7b</b>		Create contact list	Ruth	5/22/2015		
<b>4.7c</b>		Identify funding sources	Ruth	5/22/2015		
<b>4.7d</b>		Create plan for funding	Ruth	5/29/2015		
<b>4.7e</b>		Create Communication Plan for FY 15/16	Ruth	6/12/2015		
<b>4.7f</b>		Obtain Board Approval of Communication Plan	Christina	6/22/2015		
<b>4.7g</b>		Implement Communication Plan	Christina	7/1/2015		