
MAY 21, 2018

AGENDA ITEM 2
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Executive Director's Report

Budget

The proposed fiscal year (FY) 2018-19 budget for the program was approved by Subcommittee Number Four of the Senate Budget and Fiscal Review Committee on May 7th. The proposed budget is expected to continue to advance through the remainder of the legislative approval process smoothly, leading to the passage by June 30, 2018. As noted previously, the proposed budget includes authority for an additional \$2.5 million General Fund loan to augment the savings from the current year's budget and authority to hire five additional positions to support the program's start-up and administrative activities. This \$2.5 million will augment the remainder of the \$15 million General Fund loan approved for FY 2017-18.

A detailed budget summary is included as Attachment 1. As of March 31, 2018, the most recent available reporting, the program has spent \$1,230,848 in loan funding in the current fiscal year and a total of \$1,549,629 since inception.

Contracts Executed Under Delegated Authority

External Auditor Contract

On May 2, 2018, staff released a request for proposals (RFP) for an independent certified public accounting firm to provide two annual audited financial reports, for the fiscal years ending June 30, 2017 and June 30, 2018. The firm selected will conduct an audit of the financial and operational status of the Trust in accordance with generally accepted accounting principles and will be required to fulfill the requirements set forth in Government Code §100038, which requires the board to submit an annual audit report to the Governor, the Controller, the State Auditor, and the Legislature by August 1 of each year. The maximum cost of the contract will be \$45,000. Proposals for this solicitation are due May 25th and a contract is expected to be in place by mid-June.

Outreach Planning and Foundation Support

Staff continue to work with partners to plan regional working groups that will engage trusted community leaders to reach out to employers and employees. The United Ways of California will serve as lead regional coordinator if external funding can be secured to support the work. Staff continue to encourage philanthropic organizations to directly support partner organizations that will need financial assistance in conducting outreach work. Staff will provide updates on fundraising as potential grant opportunities develop.

The News & Review promotional material funded by AARP is complete and staff and partners are distributing copies among the relevant networks. Electronic copies are available for Board Members to use and distribute, and the accompanying videos will be finalized soon.

In-Home Supportive Services (IHSS) Workers

Government Code Section 100046 compels the Board to include providers of in-home supportive services (IHSS) in the Program if the Board determines, and the Director of the State Department of Social Services (DSS) and Director of Finance (DOF) certify, IHSS provider participation is legally and practically feasible. CalSavers staff have been working with DSS, DOF, and stakeholders to evaluate the practical considerations and develop estimates of the costs. CalSavers staff will provide updates on the issue as it develops.

Engaging with Researchers

An update will be provided when more information about research timeline is available, corresponding to the contract with the program administrator/manager.

Legislative Update

Senate Bill 1207 (De León) would change the name of the California Secure Choice Retirement Savings Program to the CalSavers Retirement Savings Program. As of May 11, 2018, Senate Bill 1207 passed out of the California state Senate.

External Presentations in Prior Month

1. April 28, 2018, Young Invincibles: State of Millennials Summit; California State University Dominguez Hills, Carson, CA
2. May 14, 2018, Sen. Bob Wieckowski, Treasurer John Chiang, and CalCPA: Student Financial Literacy Workshop; California State University East Bay, Hayward, CA
3. May 16, 2018, National Conference on Public Employee Retirement Systems Annual Conference; New York, NY

Upcoming External Presentations

External events at which CalSavers staff and/or board members are participating in the coming months:

1. May 31, 2018, California Asset Building Coalition: Financial Resources for the Inland Empire; San Bernardino, CA
2. June 5, 2018, National Association of State Treasurers (NAST): 2018 Treasury Management Training Symposium; Lake Buena Vista, Florida
3. June 5, 2018, California Association for Micro Enterprise Opportunity (CAMEO): Annual Meeting; Sacramento, CA
4. June 19, 2018 CA Small Business: Small Business Lobby Day; Sacramento, CA

Attachments:

- Attachment 1: Summary of Monthly Budget Report