

---

AUGUST 16, 2018

AGENDA ITEM 2  
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

*Executive Director's Report*

---

**Budget**

As of June 30, 2018, the most recent available reporting, the program has spent \$1,700,276 in loan funding in the current fiscal year and a total of \$2,019,057 since inception. A detailed budget summary is included as Attachment 1.

**External Audit**

Gilbert Associates, Inc. completed the Financial Statements with Independent Auditor's Report for the 2016-17 fiscal year, and has reported no findings. The audit report was submitted to the Governor, the State Controller, the State Auditor, and the Legislature, per statute and is included as Attachment 2.

**Staffing**

The executive director has resumed implementation of the staffing plan, with a focus on increased capacity for communications, marketing, and outreach for the next phase of Program implementation.

**Contracts Executed Under Delegated Authority**

None. In the coming weeks, the executive director will solicit for translation services and a digital media strategist, both contracts that will fall under her delegated authority.

**Regulations**

State law requires state agencies to prepare an economic and fiscal impact analysis for any "major regulations," defined as any regulations that have an economic impact exceeding \$50 million. CalSavers staff, in consultation with the Department of Finance, have been developing the impact analysis since spring of 2018 and will submit it in the third week of August.

**Legislation and Policy Update**

The Centers for Medicare & Medicaid Services (CMS) issued a [notice](#) of proposed rulemaking July 12, 2018 regarding payments made to third parties on behalf of in-home supportive service (IHSS) providers. If implemented, the rule would remove regulatory text allowing states to make payments on behalf of IHSS providers for benefits including retirement savings, health insurance, and any other purpose not expressly permitted under statute.

State Treasurer and Chair of the California Secure Choice Retirement Savings Investment Board John Chiang [submitted a formal comment letter](#) in opposition to the rulemaking August 13, 2018. The letter is included as Attachment 3.

At the next Board meeting, staff will present an item on the subject of IHSS provider inclusion in the CalSavers program.

### **Media Mentions**

- 1. Another Voice: Lawsuit threatens small businesses' ability to provide retirement benefits (Mark Herbert, California Director, Small Business Majority | Sacramento Business Journal | July 5, 2018)**  
<https://www.bizjournals.com/sacramento/news/2018/07/05/another-voice-lawsuit-threatens-small-businesses.html>
- 2. CalSavers selects Meketa Investment Group as consultant (BusinessWire | July 11, 2018)**  
<https://www.businesswire.com/news/home/20180711005032/en/CalSavers-Selects-Meketa-Investment-Group-Consultant>
- 3. Illinois Secure Choice Retirement Plan could face legal challenge (BNA | July 20, 2018)**  
<https://www.bna.com/illinois-secure-choice-n7301447728/>
- 4. Calif. retirement savings plan fights suit over right to exist (Law360 | July 26, 2018)**  
<https://www.law360.com/california/articles/1067377/calif-retirement-savings-plan-fights-suit-over-right-to-exist>
- 5. Treasurer's CalSavers promises brighter future for millions in need of retirement savings (Orange County Breeze | July 30, 2018)**  
[http://www.oc-breeze.com/2018/07/30/125035\\_treasurers-calsavers-promises-brighter-future-for-millions-in-need-of-retirement-savings/](http://www.oc-breeze.com/2018/07/30/125035_treasurers-calsavers-promises-brighter-future-for-millions-in-need-of-retirement-savings/)
- 6. State officials fire back at anti-tax group over lawsuit targeting new California retirement plan (Los Angeles Times | July 31, 2018)**  
<http://www.latimes.com/business/la-fi-calsavers-jarvis-response-20180730-story.html>
- 7. Treasurer Chiang and AARP release second CalSavers video in weekly series (Orange County Breeze | August 10, 2018)**  
[http://www.oc-breeze.com/2018/08/10/125522\\_treasurer-chiang-and-aarp-release-second-calsavers-video-in-weekly-series/](http://www.oc-breeze.com/2018/08/10/125522_treasurer-chiang-and-aarp-release-second-calsavers-video-in-weekly-series/)

**8. State on verge of hiring two firms to manage CalSavers retirement plan (San Francisco Chronicle | August 15, 2018)**

[https://www.sfchronicle.com/business/networth/article/State-on-verge-of-hiring-two-firms-to-manage-13156664.php?src=hp\\_totn](https://www.sfchronicle.com/business/networth/article/State-on-verge-of-hiring-two-firms-to-manage-13156664.php?src=hp_totn)

**External Presentations since the Last Board Meeting**

External events at which CalSavers staff and/or board members presented since the last Board meeting:

1. July 20, 2018; The Morning Pulse Podcast
2. July 30, 2018; Town Hall session with staff of Guideline, Inc.; San Mateo, CA
3. July 31, 2018; Youth Policy Institute: Ventanillas Webinar
4. August 1, 2018; Northern California Asset Funders Network Meeting;
5. August 2, 2018; National Council of State Legislatures: Legislative Summit Post Conference event sponsored by AARP; Los Angeles, CA
6. August 15, 2018; UC Berkeley: Creating Economic Opportunity for the Next Generation; Berkeley, CA
7. August 15, 2018; State Community Services Block Grant Advisory Committee Meeting; Sacramento, CA

***Attachments:***

- Attachment 1: Summary of Monthly Budget Report (through June 30, 2018)
- Attachment 2: SFY 2016-17 Audit Report
- Attachment 3: Comment Letter from State Treasurer John Chiang regarding “Medicaid Program; Reassignment of Medicaid Provider Claims,” File Code CMS-2413-P