
SEPTEMBER 24, 2018

AGENDA ITEM 5
ACTION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Approval of Investment Options Labels

Background

The Investment Policy Statement for the CalSavers program (Program) adopted by the Board in May 2018 outlined the five different investment options to be made available to Program participants. Through the Request for Proposal (RFP) process, the Board selected mutual funds to fill four of those options at the August 16, 2018 meeting. The three individual funds and the suite of target date funds selected by the Board will be provided by State Street Global Advisors as outlined in the table below.

An option available to the Board is create alternate names for the funds to provide more personalization to participants of the Program, commonly referred to as a “white label”. Additionally, white labels would allow the Board to maintain the same name for an investment option if it chose to replace the underlying investment with a similar or identical investment offered by another fund manager. Participants would understand that while their investment is going toward a different mutual fund, the investment is of a comparable nature.

If the Board chooses to white label its funds, all communication regarding the investment options would also contain the specific legal name of the underlying mutual fund(s). White labels should describe the underlying fund and its purpose, but do so in a way that doesn’t mischaracterize the risk or return opportunities of the fund.

Staff Recommendation

Staff recommends the Board select names for the investment options that are relatively close to the actual names of the underlying funds per the table below:

Investment Option Category	Underlying Mutual Fund	Proposed Name for CalSavers
Capital Preservation Fund	State Street Institutional U.S. Government Money Market Fund	CalSavers Money Market Fund
Core Bond Fund	State Street Aggregate Bond Index Fund	CalSavers Core Bond Fund
Global Equity Fund (the Program will utilize a blend of two funds to fulfill this option)	State Street Equity 500 Index Fund State Street Global Equity ex-US Index Fund	CalSavers Global Equity Fund
Target Date Funds	State Street Target Retirement Mutual Fund Suite	CalSavers Target Retirement 20XX