
NOVEMBER 18, 2019

AGENDA ITEM 7
ACTION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Meketa Investment Group Contract Extension

Summary

The California Secure Choice Retirement Savings Investment Board (“Board”) will consider approving a one-year contract extension for the Board’s investment consultant, Meketa Investment Group (Meketa).

Background

Investment consulting services are necessary to assist the Board in hiring and managing investment managers for the Program, including review and analysis of proposals, adopting investment performance benchmarks, and reviewing investment manager performance against those benchmarks. Investment consulting services are also necessary to advise the Board on development of investment policies that guide the investment options offered by the Program and assist the Board in making decisions about the Program’s investment lineup. The investment consultant keeps the Board informed on the investment climate and market conditions that could impact the Program’s investments, as well follow and report on trends in the investment management industry. The investment consultant also provides the Board with educational sessions on investment-related topics and responds to information requests from the Board, staff, or other consultants.

At the December 18, 2017 Board meeting, the Board approved a two-year contract for investment consulting services with Meketa, including an option to extend for one additional year for an additional \$120,000 at the Board’s sole discretion.

Review of Services

Staff has been pleased with the level of service provided by Meketa and the key personnel assigned to the Program, Mika Malone and Paola Nealon. Ms. Malone and Ms. Nealon, as well as the rest of the team at Meketa, have been responsive to requests from the Board and staff and provided excellent commentary and education in conjunction with investment manager and investment option reviews.

Contract Expenditures

The cost structure of the contract with Meketa provides a year-over-year decline in costs for services rendered. The first and second years of the contract cost \$135,000 and \$125,000, respectively. The proposed extension to the contract would cost \$120,000.

Calendar Year	Amount
2018	\$135,000
2019	\$125,000
2020 (Proposed Extension)	\$120,000
TOTAL CONTRACT AMOUNT (with extension)	\$360,000

Recommendation

Staff recommend the Board approve the one-year contract extension with Meketa Investment Group.

Attachment:

Resolution 2019-08: Authorization to Extend the Contract with Meketa Investment Group for Investment Consulting Services