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DECEMBER 7, 2020

AGENDA ITEM 3  
ACTION ITEM

CALSAVERS RETIREMENT SAVINGS BOARD

*Investment Policy Statement Amendments*

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Summary

The CalSavers Retirement Savings Board (Board) will consider approving amendments to the Investment Policy Statement (IPS) to reflect a change in the default investment and other minor updates.

Detail

On October 19, 2020, the Board approved a change to the default investment for participants who do not elect another option. Under the new structure, participant contributions will be directed to the Capital Preservation Fund for the first 30 days, after which all contributions and earnings will be moved, and all subsequent contributions will be directed, to the appropriate target date fund based on age.

The IPS must be updated to reflect this change and staff also recommend that the Board update the associated Investment Beliefs (contained in Appendix I of the IPS) to reflect the modified approach. The Board will consider amendments to Program regulations to reflect this change as part of Item 4 during this meeting.

Other minor revisions include the addition of long-dated target date funds for the youngest participants; updating the Board name to reflect the change made in statute earlier this year; and several language and grammar changes intended to improve clarity.

Recommendation

Staff recommend the Board approve the updated IPS with the proposed edits.

***Attachment***

- Attachment 3A: Proposed Investment Policy Statement with mark-up