

RESOLUTION NO. 2022-01

RESOLUTION OF THE CALSAVERS RETIREMENT SAVINGS BOARD RELATING TO THE APPROVAL TO RELEASE A REQUEST FOR PROPOSALS FOR ENVIRONMENTAL, SOCIAL, and GOVERNANCE INVESTMENT OPTION

WHEREAS, the CalSavers Retirement Savings Board (the “Board”) was established under Senate Bills (“SB”) 1234 and 923 (Chapters 734 and 737, 2012; codified under Government Code Section 100000 et seq.) and was mandated to conduct a market analysis and feasibility study to determine whether the necessary conditions for implementation of the California Secure Choice Retirement Savings Trust Act can be met;

WHEREAS, SB 1234 (Chapter 804, 2016) expresses legislative approval of the CalSavers Retirement Savings Program (“the Program”), requiring the Board to design and implement the Program;

WHEREAS, Government Code Section 100010(a)(1) provides the Board the power and authority to make and enter into contracts necessary for administration of the CalSavers Retirement Savings Trust (“the Trust”);

WHEREAS, Government Code Section 100002(f) compels the Board to approve an investment management entity or entities, the costs of which shall be paid out of funds held in the Trust;

WHEREAS, Government Code Section 100002(d) requires the Board and administrator(s) to invest with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an enterprise of a like character and with its aims and requires the Board and administrator(s) to discharge their duties as fiduciaries solely in the interest of program participants;

WHEREAS, Government Code Section 100002(e)(2) requires the Board to seek to minimize participant fees and strive to implement features that provide maximum possible income replacement balanced with appropriate risk;

WHEREAS, on May 21, 2018, the Board established an Investment Statement (“IPS”) that includes the goal to offer participants an investment option considering environmental Policy, social, and governance (“ESG”) factors;

WHEREAS, due to circumstances outside of the Board’s control and unrelated to the merits of the fund, the ESG investment option currently provided by Newton Investment Management (contract No. CSCRSIB06-18) may cease to exist by the end of 2022; and

WHEREAS, for the purpose of continuing to make an ESG investment option available to participants in the event of the cessation of the ESG investment option provided by Newton Investment Management, a new contract shall be secured with a new investment manager;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director, or in their absence, the Chair, or their designee, is hereby directed and authorized to 1) issue request for proposals (RFP) No. CRSB01-22; 2) make any changes to the RFP deemed necessary for a successful procurement of an investment option considering environmental, social, and governance factors; and 3) to cancel the solicitation in the event Newton informs the Board during the solicitation process that it can continue to provide the current fund for CalSavers participants.

Attest: _____
Chairperson

Date of Adoption: _____