

RESOLUTION NO. 2022-04

RESOLUTION OF THE CALSAVERS RETIREMENT SAVINGS BOARD RELATING TO THE APPROVAL TO ASSIGN THE DEFAULT INVESTMENT OPTION FOR NON-RESPONSIVE PARTICIPANTS HOLDING ASSETS IN THE OUTGOING INVESTMENT OPTION

WHEREAS, the CalSavers Retirement Savings Board (the “Board”) and the CalSavers Retirement Savings Program (the “Program”) are established under Title 21 (commencing with Section 100000) of the Government Code;

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, 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;

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 (“Newton”), a new contract must be secured with a new investment manager;

WHEREAS, following a competitive procurement pursuant to Request for Proposals CRSB01-22, the Board selected Calvert Research and Management (“Calvert”) on May 24, 2022, for an ESG fund;

WHEREAS, the Calvert fund is not considered a like fund compared to the existing Newton fund;

WHEREAS, the Board was informed by staff that participants holding assets in the Newton fund will be notified at least twice of their option to direct the Program to invest their assets in the new Calvert fund by a date certain prior to the closure of the Newton fund;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director, or in their absence, the Chair, or the Chair’s designee, is hereby directed and authorized to execute the movement of participants’ Newton ESG assets into the Program’s default investment option for any participants who do not take action to specify their investment election.

Attest: _____
Chairperson

Date of Adoption: _____