
MARCH 06, 2025

AGENDA ITEM 9
ACTION ITEM

CALSAVERS RETIREMENT SAVINGS BOARD

Approval to Initiate the Request for Proposal (RFP) Process for Program Administrator and Investment Manager Contracts

Summary

Staff is seeking the Board's approval to initiate the process of issuing a Request for Proposals (RFP) for the Program Administrator and Investment Manager contracts.

Background

State law¹ requires the Board to adopt a third-party administrator model to operate the CalSavers Retirement Savings Program ("Program"). Statute² further requires the Board to approve an investment management entity or entities and regularly report on the Program's investments and investment performance against benchmarks and industry standards.

On May 21, 2018, the Board approved the release of Request for Proposals (RFP) No. CSCRSIB07-17 for Program Administrator and Investment Manager services. Following a competitive selection process, the Board approved contracts with Ascensus College Recordkeeping Services, LLC ("Ascensus") as the Program Administrator and State Street Global Advisors ("SSGA") as the Investment Manager.

The contracts have a base term of seven years, expiring on November 30, 2025, with up to three one-year extensions at the Board's discretion. Given the long lead time required to conduct a competitive procurement process, staff recommends that the Board authorize the initiation of a new RFP process to ensure the successful transition to a new or renewed contract before the final expiration in November 2028.

The timeline for issuing and completing RFPs of this scale is extensive, requiring careful planning and execution. If a new bidder is ultimately selected for either or both contracts, the transition process will demand significant time and coordination to ensure seamless service delivery and avoid disruptions for employers and savers. Initiating the process now allows for sufficient time to engage the market, evaluate proposals, and negotiate contracts without being constrained by approaching deadlines.

At this stage, the Board is not being asked to determine the specific timing, structure, or approach of the RFP. Instead, staff is seeking approval to begin assembling the necessary components for the procurement process and publicly announce the intent to initiate the RFP, setting the foundation for a well-planned and competitive solicitation process.

Recommendation

- Staff recommends that the Board approve the initiation of the RFP process for the Program Administrator and Investment Manager contracts.