

RESOLUTION NO. 2021-06

RESOLUTION OF THE CALSAVERS RETIREMENT SAVINGS BOARD TO EXTEND ITS CONTRACT WITH NEWTON INVESTMENT MANAGEMENT LIMITED FOR ONE YEAR AS MANAGER OF THE SUSTAINABLE BALANCED FUND INVESTMENT OPTION

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

WHEREAS, Government Code Section 100012(a) provides the Board the power and authority to design, establish, and operate the Program in a manner consistent with best practices for retirement savings vehicles, sound investment practices and the appropriate selection of default investments, and simplicity and ease of administration for participating employers;

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 (“Trust”);

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

WHEREAS, Government Code Section 100002(d) requires the Board and administrators 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 administrators to discharge their duties as fiduciaries solely in the interest of Program participants; and

WHEREAS, the Board’s Investment Policy Statement identifies the five investment options to be made available to Program participants, including an option focused on environmental, social, and governance (“ESG”) factors;

WHEREAS, on January 28, 2019, the Board approved a three-year contract (No. CSCRSIB06-18) for investment management services, including the provision of the Sustainable Balanced Fund, with Newton Investment Management (North America) Limited with three one-year options to be extended at the Board’s discretion;

WHEREAS, the contract and any extensions carry no cost for the Board because Newton is compensated by fees levied on participants;

WHEREAS, Newton Investment Management Limited’s contract (No. CSCRSIB06-18) will end on February 7, 2022, unless the Board approves a one-year contract extension;

NOW, THEREFORE, BE IT RESOLVED that the CalSavers Retirement Savings Board authorizes the executive director to take the actions necessary to extend its contract (No. CSCRSIB06-18) with Newton Investment Management Limited for the Sustainable Balanced Fund until February 7, 2023.

Attest: _____
Chair

Date of Adoption: September 13, 2021