



2020 Year End Highlights

Presented by the Executive Director

January 6, 2021



At the beginning of 2020, the CalSavers team was preparing for major program growth driven by the first employer deadline in June and we were thrilled to tackle our rollout. The COVID-19 pandemic profoundly affected the lives of all Californians, our

economy, and the ways in which we work, spend money, and plan for the future. As has been widely reported, the impacts of the pandemic are not distributed evenly and we know that many of our CalSavers participants were disproportionately affected due to their employment with organizations hit hard by closures.

Growth Despite Unprecedented Challenges

While the impacts are deep and still unfolding, what we already know is that CalSavers is resilient. I am pleased to report that, despite the profound effects of the pandemic, CalSavers posted tremendous growth during the calendar year.

As of December 31st, more than 244,000 Californians were enrolled in CalSavers, 68 percent of whom enrolled during the last three months of the year following the first registration deadline for the largest employers. Nearly 100,000 of these participants were already actively saving with funded accounts by the end of the year. These active savers held a total of \$28.4 million, and they were contributing more than \$8.5 million per month by the end of the year, through an average contribution of \$114 per month (5.01% average contribution rate).

We transitioned seamlessly to remote work without any disruption to customer service while

continuing to ensure the highest degree of information security.

Optimizing Default Investments

In response to the near zero interest rate environment, the Board acted to ensure that our participants in the money market fund do not experience negative returns net of fees. After studying options to optimize savers' experiences, the Board voted to change the default investment arrangement to more quickly direct contributions to the target date fund series, beginning in April 2021.

Dynamic Public Private Partnership

Our small and mighty core staff continued to partner with a dozen business and state agency partners. This dynamic group works closely together every day to support our savers and their employers. In addition, our non-profit community allies, stakeholders, and advisors across the country continued to help us make the Program better for employees and employers alike.

Looking Ahead

As the California economy stabilizes and prepares to recover in 2021 and beyond, CalSavers will be ready to support employers and their employees as we transition to a new normal. Together, we will fulfill our mission to ensure all Californians have a path to financial security in retirement by providing a simple, portable, low-cost way for workers to invest in their futures.

Onward to a better and brighter 2021.

Katie Selenski
Executive Director



Board Leadership

In addition to presiding over the growth described in this report, the CalSavers Retirement Savings Board grappled with multiple challenges in 2020, many driven by the COVID-19 pandemic. These include delaying the first employer compliance deadline in an effort to support employers during the onset of the pandemic; responding to the near-zero interest rate environment especially as it relates to the default investment policy; engaging with the legislature to transfer authority for enforcement duties from the Employment Development Department to the Franchise Tax Board; and continuing Board operations largely remotely.

Membership on the Board remained consistent from the prior year and one seat remained vacant. In July, the Treasurer named Deputy Treasurer Audrey Noda as her new designee with oversight for CalSavers. Full Board Member biographies are available on the Board's governance [website](#).



From Left: State Treasurer Fiona Ma (Chair), State Controller Betty Yee, Director of Finance Keely Martin Bosler, Edward De La Rosa, Heather Hooper, Stephen Prough, William Sokol, and Yvonne Walker. One seat is vacant.

(Not pictured: Controller Yee's delegate Deputy Controller Jacqueline Wong Hernandez and Director Bosler's delegate Chief Deputy Director for Policy Gayle Miller.)

Growth & Resilience

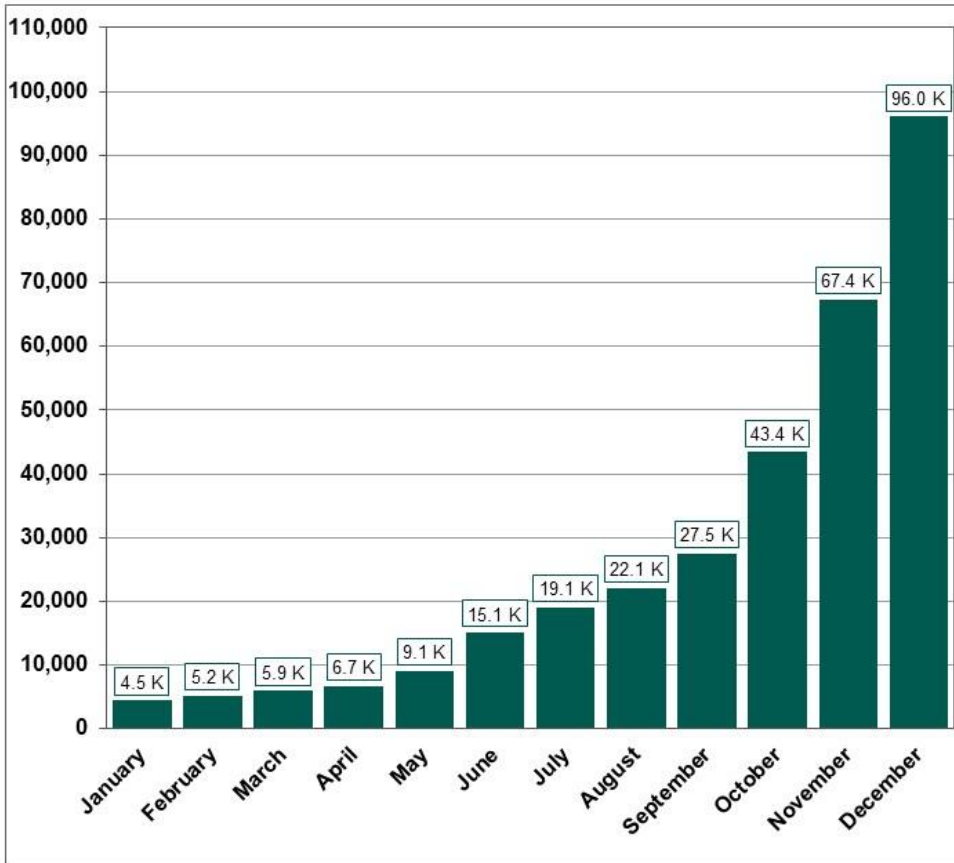
From Crescent City to Calexico, CalSavers participants live and work in all 58 counties across the state and represent the great diversity of California. The charts on the following pages depict the Program's remarkable growth through December 31, 2020. **More detailed data is published monthly on our [reports page](#).**



CalSavers participants in Bakersfield.



TOTAL FUNDED ACCOUNTS



The number of total funded accounts **surged 250% in the fourth quarter** following the first employer deadline on September 30 (extended from June 30 due to the COVID-19 pandemic).



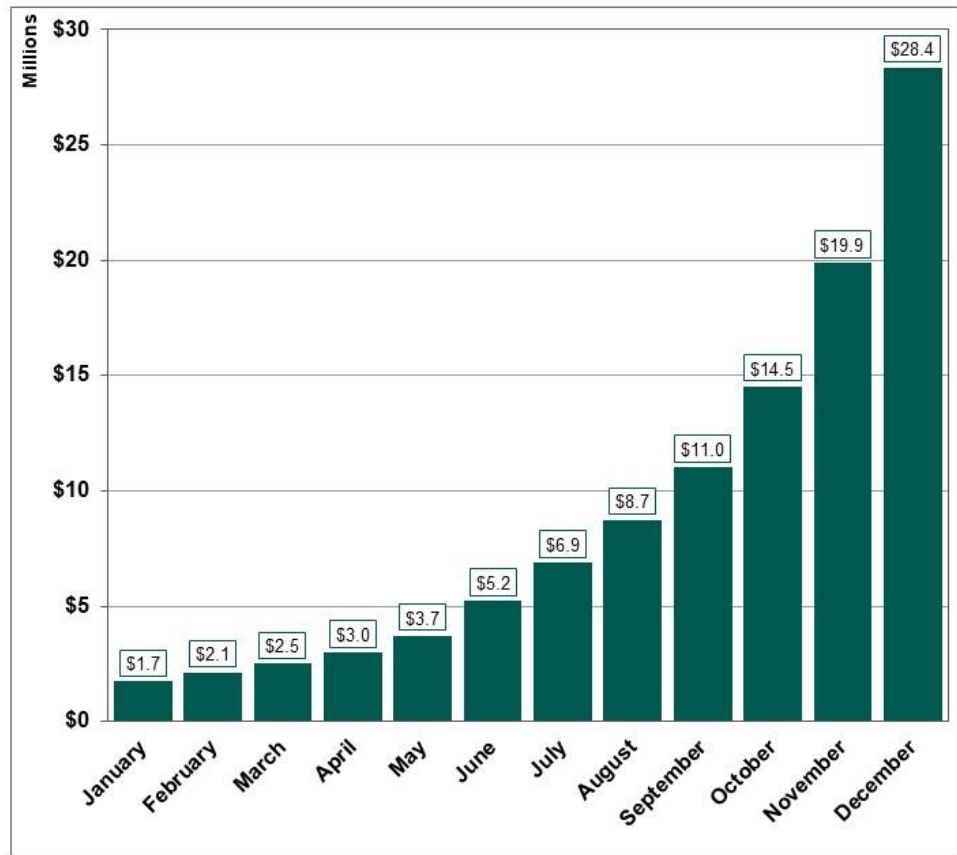
CalSavers participants in Oakland.



A CalSavers participant in Los Angeles.

TOTAL ASSETS

Total assets grew by 157% in the fourth quarter, driven largely by new savers employed by businesses that registered just prior to the first deadline on September 30.

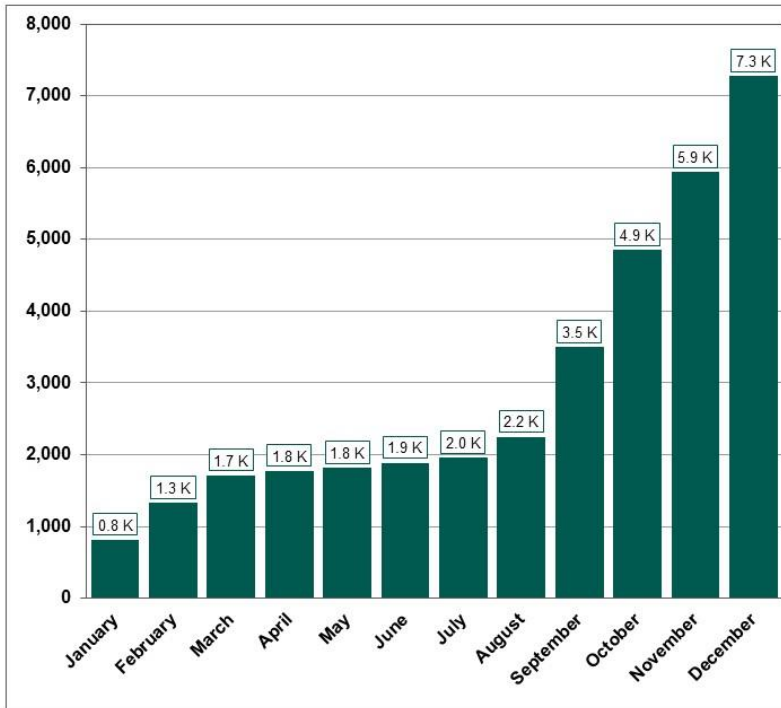


A CalSavers participant in Compton.



A CalSavers employer in Milpitas.

TOTAL REGISTERED EMPLOYERS



More than 7,250 employers from every corner of California had registered to facilitate CalSavers by the end of the year, with more than half coming aboard in the fourth quarter. They include small and large businesses, non-profit organizations, household name companies and start-ups, and they employ full-time, part-time, seasonal, long-term, and mobile employees of all ages.



A CalSavers employer in Compton.

TOTAL REGISTERED EMPLOYERS BY INDUSTRY

Industry	Employers	Percent of Total
Accommodation and Food Services	1,483	20.4%
Health Care and Social Assistance	811	11.1%
Agriculture, Forestry, Fishing and Hunting	702	9.6%
Administrative and Support and Waste Management and Remediation Services	650	8.9%
Retail Trade	558	7.7%
Other Services (except Public Administration)	512	7.0%
Construction	494	6.8%
Professional, Scientific, and Technical Services	433	5.9%
Manufacturing	428	5.9%
Wholesale Trade	276	3.8%
Educational Services	182	2.5%
Industry Data Not Available	155	2.1%
Transportation and Warehousing	153	2.1%
Real Estate Rental and Leasing	144	2.0%
Arts, Entertainment, and Recreation	143	2.0%
Information	74	1.0%
Finance and Insurance	65	0.9%
Management of Companies and Enterprises	9	0.1%
Mining	3	<0.1%
Utilities	2	<0.1%
Public Administration	1	<0.1%
TOTAL	7,278	

Outreach & Education

CalSavers presented at more than 210 local and statewide events in 2020, including 128 employer webinars hosted by CalSavers that reached more than 2,700 attendees. In addition, we presented at 81 outreach events hosted by the Treasurer or community organizations, ranging from chambers of commerce to farm bureaus to restaurant associations and asset-building organizations. We were able to engage in-person in communities across the state during January and February, and transitioned to webinars in March.



Treasurer Ma hosts one of many webinars promoting resources for small business owners.



Outreach Coordinator Carolina Hernandez presents to a community audience.



Treasurer Ma and Outreach Manager Jonathan Herrera present a seminar.



Members of the Ascensus and CalSavers Field Teams work together to educate community members prior to the shift to remote webinars.



Feedback on Educational Webinars

“This has been incredibly helpful. Thanks so much for the great organization and presentation.”

“Thank you, great presentation!”

“Thank you. I do understand your process. It's really not very difficult to follow. You did an amazing job in explaining all during this webinar. Looking forward to blending with you.”



Members of the Ascensus CalSavers Field Team

“Very informative, thank you.”

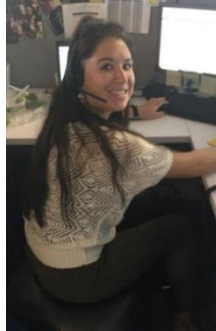
“Thank you for the information. It's very helpful.”



*Outreach Manager
Jonathan Herrera
presents an
employer webinar.*

Customer Service & Employer Onboarding

Our highly-rated customer service team with Ascensus handled nearly 125,000 calls in 32 languages. They remain the lifeblood of the Program and create positive experiences every day for our participants. The new employer onboarding team supported employers through every stage of facilitation and coordinates closely with the field team to drive growth.



Members of the Ascensus CalSavers Customer Service Team.

Employee Calls

English	42,826
Spanish	46,534

Employer Calls

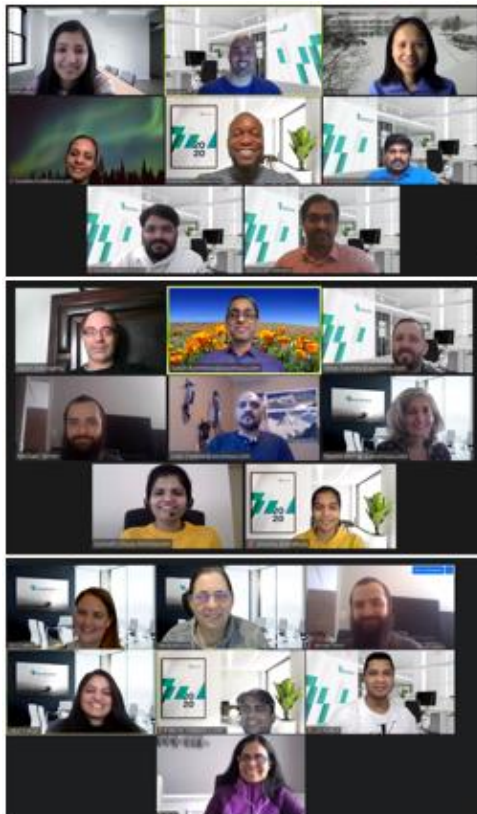
English	24,996
Spanish	1,535

Translation Calls 8,970

Total Calls 124,861

Translation service calls were conducted in 30 languages, including (in order of declining prevalence) Vietnamese, Mandarin, Cantonese, Punjabi, Tagalog, Korean, and Russian, as well 23 other languages each accounting for less than 0.1% of translated calls.

Technology Enhancements



Dozens of engineers and product managers work every day to improve the technological features and user experience of CalSavers. Payroll technology integration continues to be a high priority CalSavers leadership, and the team's efforts in 2020 will begin to manifest in new partnerships and integrations in early 2021.

Two thousand participants began using our bilingual [mobile application](#) to monitor and manage their accounts any time, any place. Available in English and Spanish, the app allows participants easy access to their accounts regardless of whether or not they have a computer at home or work.



Members of the Ascensus CalSavers Engineering Team

Direct Employer Notifications

With the first registration deadline approaching and the need to get the word out to smaller employers, we leveraged our most powerful tool for employer engagement: direct notices by email and paper mail. CalSavers distributed multiple rounds of communications materials to hundreds of thousands of employers throughout the state. The COVID-19 emergency added to the challenge, by requiring a significant change to the tone and frequency of employer notices.

OFFICIAL NOTICE FROM THE STATE OF CALIFORNIA

CalSavers
RETIREMENT SAVINGS PROGRAM

It's just the right thing to do.
— Zach, Penny Ice Creamery, Santa Cruz

Thousands of California employers are already helping their employees save with CalSavers.

Saving for the future is more important than ever. CalSavers was created to ensure all Californians can save for their futures with the ease of automatic payroll contributions.

If you have at least 5 employees in California and don't sponsor a retirement plan, CalSavers is for you. Your role is simple: uploading your employee information and sending their contributions as payroll deductions. There are no fees and no fiduciary responsibility for employers.

CalSavers
RETIREMENT SAVINGS PROGRAM

Your Money. Your Future.

OFFICIAL NOTIFICATION FROM THE OFFICE OF THE STATE TREASURER FOR ABC COMPANY INC

YOUR REQUIRED DEADLINE IS JUST DAYS AWAY

YOU MUST RESPOND BY SEPTEMBER 30, 2020

10 DAYS

Are you ready to join the employers that are already helping their employees save?

It only takes a few minutes. Here is what you need to get started:

- CA Employer Payroll Tax Account Number (From EDD)
- Federal Employer Identification or Tax Identification Number (EIN/TIN)
- CalSavers Access Code: <<ACCESS CODE>>

Start my registration

Meet a few other employers who joined the program.*

CalSavers puts my mind at ease.

It will help small business save time and money.

CalSavers
RETIREMENT SAVINGS PROGRAM

OFFICIAL NOTICE FROM THE OFFICE OF THE STATE TREASURER

CalSavers is open and ready to support employers and savers.

Deadline for employers with more than 100 employees extended to September 30, 2020

In light of the unprecedented challenges brought by COVID-19, CalSavers is extending its first employer registration deadline from June 30, 2020 to September 30, 2020. We hope that many of you will be ready to join now as planned, but we know that some will need time to contend with urgent needs and prepare for recovery.

The State of California created CalSavers to ensure all Californians can save for their futures with the ease of automatic payroll contributions. Now more than ever, we see the importance of personal financial resiliency in the short- and long-term. To learn how we serve these purposes, [read our special message](#).

Dear [REDACTED],

YOU MISSED YOUR DEADLINE.
Your state-required deadline to register for CalSavers was September 30, 2020.

California law requires employers to register for CalSavers - the State of California's retirement savings program - by September 30, 2020. If they do not already sponsor a retirement plan and have more than 100 employees in California. There are no employer fees and signing up takes just a few minutes.

If you do not comply with your registration requirement, you may be subject to a financial penalty for not taking action.

Here's what you need to register:

- CA Employer Payroll Tax Account Number (from EDD)
- Federal Employer Identification or Tax Identification Number (EIN/TIN)
- CalSavers Access Code: [REDACTED]

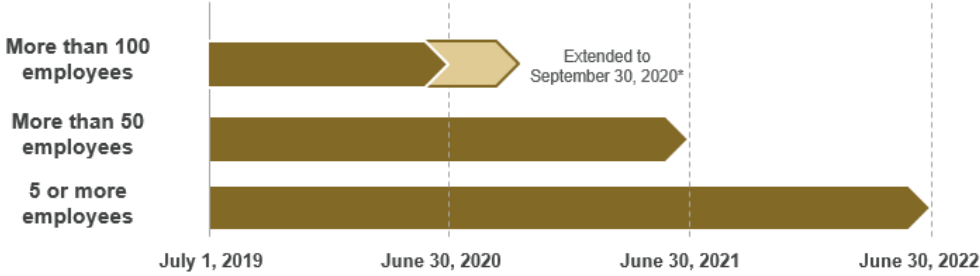
Register at calavers.com/register

Already sponsor a retirement plan?
CalSavers is only required for employers that do not already sponsor a qualified retirement plan. If you believe your company is exempt from this requirement, please let us know at employer.calavers.com/ewamp.

What happens after you register?
After registering, you will be required to complete your account setup and upload your employee roster within 30 days. CalSavers will then notify your employees about the program, initiating a 30-day opt-out window, and you will begin to send employee contributions for employees that don't opt out.

How can we help?

- Visit employer.calavers.com to learn more about the program and requirements.
- Attend a webinar to learn about the program, your role, and other important deadlines. View the schedule at calavers.com/webinars.
- Email us at customer.service@calavers.com or call us for multilingual support at 855-450-4316 Monday through Friday, 8:00 am - 6:00 pm PT.



We will continue to send notices to hundreds of thousands of employers throughout the next two waves of our rollout.

Program Infrastructure & Design

Integrated Public Private Partnership




While the central state employee component of the CalSavers team is small and mighty, the broader CalSavers team includes a growing multi-disciplinary group of professional partners across a dozen organizations. Key among them is our program administrator, Ascensus, which includes engineers, product managers, marketing experts, customer service and field representatives, compliance officers, and executive leadership. CalSavers and Ascensus staff work closely every day on system improvements, troubleshooting, customer service, digital marketing, educational outreach, and strategic planning.

Legislation & Regulations

CalSavers accomplished key policy goals in 2020, including passage of Assembly Bill 102, which made a number of important technical amendments to state law, and regulations changes to improve accessibility for savers and extend the program’s first employer registration deadline due to the COVID-19 pandemic.

Refining the Default Investment Policy

In response to the near zero interest rate environment, the Board studied options for changing the default investment option to optimize savers’ experiences. The Board [voted](#) to adjust the default arrangement to more quickly direct contributions to the target date fund series, beginning in April 2021. In the meantime, the Board’s actions earlier in 2020 have ensured that our participants in the money market fund do not experience negative returns net of fees.

	Money Market Fund
	Target Retirement Date Funds
	Core Bond Fund
	Global Equity Fund
	Sustainable Balanced Fund (ESG)

State Agency Partnerships

In 2020, staff continued to leverage relationships with other state agencies for facilitation and implementation of the Program. We further engaged the Employment Development Department (EDD), which provides essential employer data, to amplify our message to employers through the agency’s own communications channels.



In the spring, after the onset of the pandemic and associated challenges facing EDD, we acted quickly with the leadership of the Franchise Tax Board (FTB) and partners in the legislature to transfer enforcement duties from EDD to FTB. During the summer and fall, we partnered with FTB to design an employer compliance program that is scheduled to be implemented later in 2021.

We continue to participate in the State Interagency Team Reducing Poverty Workgroup, facilitated by the California Department of Community Services & Development, which allows for innovative cross-promotion with programs like the California Earned Income Tax Credit (CalEITC), among others.



We look forward to deepening our collaboration with other agencies like the Department of Financial Protection & Innovation and the Governor's Office of Business and Economic Development (GO-Biz), in addition to more cross-promotion with other asset building programs chaired by the State Treasurer like the ScholarShare and CalABLE savings plans.



Raising Awareness with Earned and Social Media

The New York Times InvestmentNews
RETIRO
CalSavers registers thousands of businesses, will see bump
Saving at Work for Retirement: A Perk Coming to More States in 2021
Numerous other state auto-IRA programs are in development, and the plans should be thinking about drawdown strategies, a report suggests
The automatic I.R.A., administered by state governments, will be more widely available.




175 articles, podcasts, and videos
97 different publications

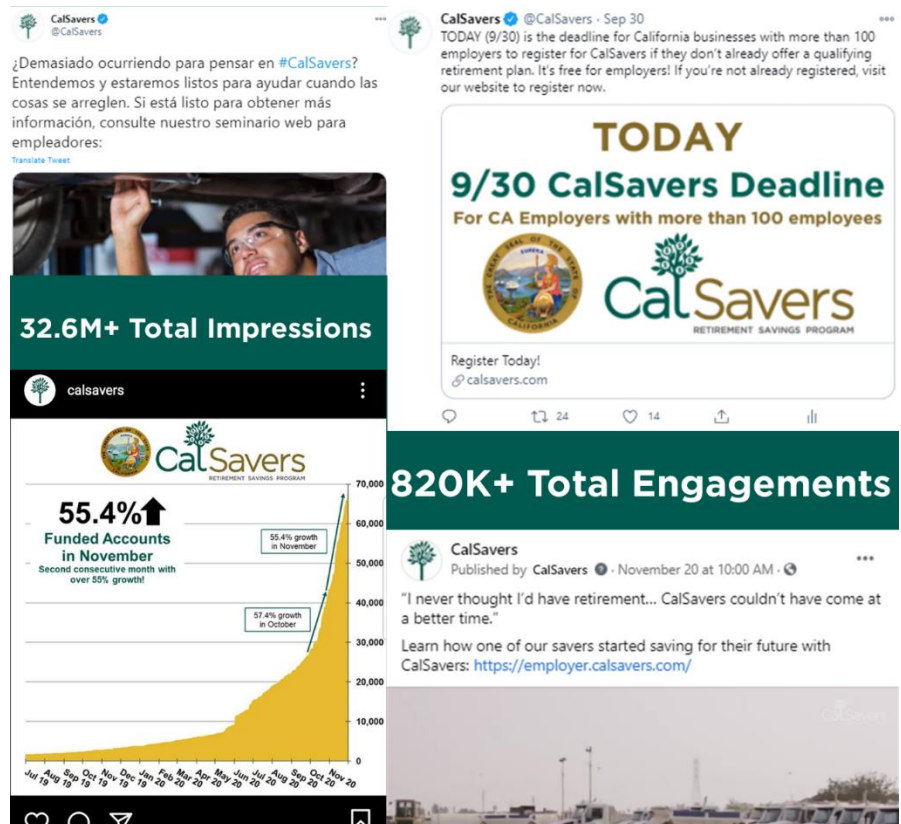
MARKETS | JOURNAL REPORTS: FUNDS/ETFS
States Take Aim at People With No Retirement Plan
With so many workers having no money in retirement accounts, states are passing legislation to help people to start saving



THE WALL STREET JOURNAL

Earned media highlights include two [New York Times articles](#) featuring participating employees; a [Yahoo! Finance](#) article detailing how state-run auto-IRA programs could help close the racial wealth gap; an episode with [Georgetown's State of Retirement podcast](#); and four [Broadcast Retirement Network AM](#) videos featuring interviews with CalSavers participants. All media mentions are included in the Executive Director's report for each board meeting, available with agenda materials [here](#).

The team deployed **digital and social media** advertising, garnering 32.6 million impressions to raise awareness of CalSavers, drive employers to our how-to webinars, and ultimately increase employer registrations.



32.6M+ Total Impressions

820K+ Total Engagements

55.4%↑ Funded Accounts in November
Second consecutive month with over 50% growth!
55.4% growth in November
57.4% growth in October



CalSavers as a Global Model

State and federal policymakers and thought leaders continue to watch CalSavers and seek our insights as a model for retirement security policy innovation. We were invited to present our progress at forum events for national and international audiences including policymakers; academic and think tank researchers; advocates for workers and small businesses; associations of financial services industries; and journalists. Congressional offices also sought insights as they considered various proposals for federal level reforms.

We regularly joined our peers from [Oregon](#) and [Illinois](#) at events to support “pipeline” states in earlier stages of implementation or policy development. We’re encouraged to see new states preparing to launch in 2021 and beyond.

Together, we’re proving that bold policy leadership coupled with a strong public private partnership model can achieve asset building results that have been elusive for decades. Simply put: it’s working.



Katie Selenski addresses the World Pension Summit

Looking Ahead

As the California economy stabilizes and our communities seek to recover in 2021 and beyond, and as we transition to a new normal, CalSavers will be ready to support employers and their employees.

According to the best available data, approximately 10,000 employers will be subject to the June 30, 2021 deadline to either report that they are exempt because they’ve adopted a private retirement plan or register for CalSavers. Some of these employers will still be struggling with the effects of the pandemic while others will find a smoother path forward. In any case, we stand ready with flexible support for both employers and savers and remain steadfast with the knowledge that saving for the future is more important than ever.

Learn more at www.calsavers.com. For Board meeting materials, detailed participation reports, and background information, please visit our Board website at <https://www.treasurer.ca.gov/calsavers/>.