
MAY 26, 2015

AGENDA ITEM 03
ACTION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Resolution of the California Secure Choice Retirement Savings Investment Board Relating to the Approval to Amend Agreement CSCRSIB03-14 for Market Analysis, Feasibility Study, and Program Design Consultant Services

Presenter

Christina Elliott, Acting Executive Director

Background

Agreement No. CSCRSIB03-14, the contract between the California Secure Choice Retirement Savings Investment Board (the “Board”) and Overture Financial LLC for market analysis, feasibility study, and program design consultant services, will expire on October 30, 2015.

At the time the Board approved the contract, the length of the term allowed sufficient time for Overture Financial, LLC to perform their services. Due to unanticipated additional time necessary to execute the contract and obtain approval from the Department of General Services (“DGS”), the contractor could not begin work until the contract was approved by DGS on April 22, 2015.

Secure Choice staff believes it is necessary to execute an amendment to the contract to extend the term to January 31, 2016 to ensure Overture Financial, LLC has sufficient time to complete their work.

Staff recommendation

Secure Choice staff recommends the Board approve Resolution No. 2015-03 of the California Secure Choice Retirement Savings Investment Board Relating to the Approval to Amend Agreement CSCRSIB03-14 with Overture Financial LLC for market analysis, feasibility study, and program design consultant services.

Attachments

- Attachment #1 – Resolution No. 2015-03
- Attachment #2 – Contract Amendment (STD 213A), including amended timeline for the market analysis, feasibility study, and program design consultant services

RESOLUTION NO. 2015-03

RESOLUTION OF THE CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD RELATING TO THE APPROVAL TO AMEND AGREEMENT CSCRSIB03-14 FOR MARKET ANALYSIS, FEASIBILITY STUDY, AND PROGRAM DESIGN CONSULTANT SERVICES

WHEREAS, the California Secure Choice Retirement Savings Investment Board (the “Board”) is established under SB 1234 (Chapter 734, 2012; codified under Government Code section 100000 et seq.) and mandated to conduct a market analysis to determine whether the necessary conditions for implementation of the California Secure Choice Retirement Savings Trust Act (the “Act”) can be met, provided that the Board shall conduct the market analysis only if sufficient funds to initiate and complete the required market analysis are made available through a nonprofit or private entity, or from federal funding;

WHEREAS, Government Code section 100042 provides, in part, that the Act shall become operative only if the Board determines that, based on the market analysis, the provisions of the Act will be self-sustaining, and funds are made available through a nonprofit or other private entity, federal funding, or an annual Budget Act appropriation in amounts sufficient to allow the Board to implement the Act until the California Secure Choice Retirement Savings Trust has sufficient funds to be self-sustaining;

WHEREAS, Government Code section 100043 provides that the Board shall not implement the California Secure Choice Retirement Savings Program (the “Program”) if the Individual Retirement Account or Individual Retirement Annuity (collectively “IRA”) arrangements offered fail to qualify for the favorable federal income tax treatment ordinarily accorded to IRAs under the Internal Revenue Code, or if it is determined that the Program is an employee benefit plan under the federal Employee Retirement Income Security Act;

WHEREAS, the Board has entered into Agreement No. CSCRSIB03-14 (the “Agreement”) with Overture Financial, LLC for the necessary market analysis, including feasibility study and program design for purposes of the market analysis and legal analysis (the “project”); and

WHEREAS, an amendment to the Agreement, which currently expires October 30, 2015, is necessary to extend the term to complete the project;

NOW, THEREFORE, BE IT RESOLVED that the Acting Executive Director is hereby directed and authorized to prepare and take whatever steps necessary to execute an amendment to the Agreement to extend the term to January 31, 2016.

Attest: _____
Chairperson

Date of Adoption: _____

Proposed Timeline for the California Secure Choice Market Analysis, Feasibility Study and Design Consultant Services Project

TASK	TASK NAME	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015
A	Program Design								
i-1	Recommend Design, Implementation, and Administration of the Program	x	x	x	o	o	o	o	
i-2	Investment Options		x	x	o	o	o	o	
ii	Determination of Eligibility of Employee, Employer, and other Participants		x	x					
iii	Determination of Availability of an Employer-sponsored Retirement Plan to their Employees		x	x					
iv	Enrollment Process		x	x					
v	Payroll Deduction Contributions/ Cost and Administration Burden for Employers		x	x					
vi	Contribution Rate/ minimum and Maximum Amounts		x	x	o	o	o	o	
vii	Automatic Escalation of Contributions		x	x	o	o	o	o	
viii	Rollover and Transfer Process, Withdrawal Rules and Limits		x	x	o	o	o	o	
ix	Potential Enrollment of an Employee working for a Non-Participant Employer		x	x					
x	Offering Annuities to Participants		x	x	o	o	o	o	
xi	Investment Options for Guaranteed Returns on Contributions		x	x	o	o	o	o	
xii	Recommendations for Market Analysis/ Financial and Legal Feasibilities		x	x					
xii	Detailed Report			x	x				
B	Market Analysis								
i-1	Initial Discussion of Objectives and Reservation of Facilities (Greenwald)	x	x						
i-2	Collection and Analysis of Existing Survey Microdata (CLRE)	x	x						
i-3	Finish Screeners (Greenwald)		x						
i-4	Draft and Review Moderator's Guide (Greenwald)		x						
i-5	Conduct Groups (Greenwald)		x						
i-6	Questionnaire Review and Revision (Greenwald)			x					
i-7	Questionnaire Approval and Programming (Greenwald)			x					
i-8	Online Data Collection (Greenwald)			x	x				
i-9	Develop Data Model Linking Employees, Model Participant Career and Savings Trajectory (CLRE)		x	x					
i-10	Preliminary Market Analysis Report (CLRE)				x				
i-11	Data Processing and Delivery of Overall Survey Results (Greenwald)				x				
i-12	Analysis and Reporting (Greenwald)				x	x			
i-13	Submit Excel File Containing Tabulated Data to Team Actuary (CLRE)					x	x		
ii	Final Market Analysis Report Integrating All Pieces (CLRE)							x	
C	Financial Feasibility Study								
i	Financial Feasibility and Program Sustainability				x	x	x	x	
ii	Funds Necessary to Implement Program / Options for Financing						x	x	
iii	Cost and Fee Structure to Run the Program						x	x	
iv	Detailed Report							x	x
D	Stakeholders Outreach		x		x		x		x
E	Coordination with Other SCRIB Contractors	x	x	x	x	x	x	x	x
F	Assistance with Legislation								x
G	Attendance of Board Meetings	x	x	x	x	x	x	x	x
H	Final Report							x	x

x Expected Timeline
o Adjustments Due to Findings in Market Analysis and Financial Feasibility Study

STANDARD AGREEMENT AMENDMENT

STD. 213 A (Rev 6/03)

 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 1 Pages

AGREEMENT NUMBER	AMENDMENT NUMBER
CSCRSIB03-14	1
REGISTRATION NUMBER	



- This Agreement is entered into between the State Agency and Contractor named below:
STATE AGENCY'S NAME
California Secure Choice Retirement Savings Investment Board
CONTRACTOR'S NAME
Overture Financial, LLC
- The term of this Agreement is 4/22/15 - through 1/31/16
- The maximum amount of this Agreement after this amendment is: \$ 498,366.04
Four Hundred Ninety-Eight Thousand Three Hundred Sixty-Six Dollars and Four Cents
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The term of this Agreement is extended through January 31, 2016. -

The timeline table in Attachment A.1 - Contractor's Work Plan/Schedule is amended as attached hereto. -

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) Overture Financial, LLC		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Samir Kabbaj, Chief Operating Officer		
ADDRESS 1440 Broadway, 23rd Floor, New York, NY 10018		
STATE OF CALIFORNIA		
AGENCY NAME California Secure Choice Retirement Savings Investment Board		<input type="checkbox"/> Exempt per:
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Christina Elliot, Acting Executive Director		
ADDRESS 915 Capitol Mall, Room 110, Sacramento, CA 95814		