
JULY 27, 2015

AGENDA ITEM 02
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Acting Executive Director's Report

This item will be presented verbally at the meeting.

Attachments

- Attachment #1 – K&L Gates Budget Update
- Attachment #2 – Secure Choice Business Plan Update
- Attachment #3 – Overture Financial Budget Update

KL Gates Budget Tracking Sheet

Task	Subtask	Code	Projection	March	April	May	June	July	August	September	October	Actual	Remaining amount
IRS Ruling	Review materials from client	IR001	\$ 10,000.00	\$ 488.00								\$ 488.00	\$ 9,512.00
	Evaluate potential IRS Ruling topics and review with client	IR002	\$ 10,000.00									\$ -	\$ 10,000.00
	Potential IRS Pre-Submission/Potential call or meeting	IR003	\$ 10,000.00									\$ -	\$ 10,000.00
	Preparation of submission and review of drafts	IR004	\$ 20,000.00									\$ -	\$ 20,000.00
	Finalization of submission to IRS	IR005	\$ 10,000.00									\$ -	\$ 10,000.00
	Other	IR006	\$ -									\$ -	\$ -
ERISA Ruling	Review materials from client	ER001	\$ 10,000.00	\$ 2,962.80								\$ 2,962.80	\$ 7,037.20
	Evaluate potential DOL Ruling topics and review with client	ER002	\$ 10,000.00	\$ 6,313.30	\$ 2,570.40	\$ 540.60	\$ 1,689.39					\$ 11,113.69	\$ (1,113.69)
	Potential DOL Pre-Submission/potential call or meeting	ER003	\$ 10,000.00	\$ 2,986.90		\$ 202.73	\$ 743.33					\$ 3,932.96	\$ 6,067.04
	Prepare Advisory Opinion Request	ER004	\$ 25,000.00									\$ -	\$ 25,000.00
	Finalization of submission to DOL	ER005	\$ 10,000.00									\$ -	\$ 10,000.00
	Memos/Communication with DOL	ER006	\$ -	\$ 2,565.00	\$ 26,198.80							\$ 28,763.80	\$ (28,763.80)
	Meet with DOL	ER007	\$ -	\$ 6,627.00								\$ 6,627.00	\$ (6,627.00)
	Other	ER008	\$ -	\$ 439.20								\$ 439.20	\$ (439.20)
Legal Issues Advice	Investment/Insurance Products	LI001	\$ 10,000.00	\$ 4,320.00	\$ 877.50	\$ 337.88						\$ 5,535.38	\$ 4,464.62
	Securities Law Advice	LI002	\$ 20,000.00			\$ 4,151.88						\$ 4,151.88	\$ 15,848.12
	Other	LI003	\$ 10,000.00									\$ -	\$ 10,000.00
Coordination Activity	Communication with Consultants	CA001	\$ 5,000.00	\$ 3,040.00	\$ 1,012.50	\$ 1,351.51	\$ 473.03					\$ 5,877.04	\$ (877.04)
	Other	CA002	\$ 5,000.00	\$ 267.60	\$ 267.60	\$ 357.00	\$ 493.11					\$ 1,385.31	\$ 3,614.69
Ongoing Compliance/IRS/DOL Advice	General compliance advice	OC001	\$ 10,000.00		\$ 405.00							\$ 405.00	\$ 9,595.00
	IRS/DOL advice	OC002	\$ 10,000.00		\$ 3,056.80							\$ 3,056.80	\$ 6,943.20
Board Attendance	Discussion with staff/Board (as directed)	BA001	\$ 10,000.00		\$ 872.70		\$ 473.03					\$ 1,345.73	\$ 8,654.27
	Attendance at Meetings (in person/phone)	BA002	\$ 40,000.00		\$ 10,800.00	\$ 1,351.50	\$ 2,415.76					\$ 14,567.26	\$ 25,432.74
	Memos/Communications with staff/Board	BA003	\$ 10,000.00	\$ 2,782.00			\$ 337.88					\$ 3,119.88	\$ 6,880.12
				\$ 32,791.80	\$ 46,061.30	\$ 8,293.10	\$ 6,625.53					\$ 93,771.73	

KL Gates Budget Tracking Sheet

		Total Projected	\$ 255,000.00									Fund Expended	\$ 93,771.73
		Contract Amount	\$ 275,000.00									Funds Remaining of Total Contract Amount	\$ 181,228.27
		Extra funds	\$ 20,000.00									Funds Remaining of Total Projected Amount	\$ 161,228.27

2015-16 Secure Choice Business Plan

Item #	Strategic Goal	Supporting task	Lead	Due date	Status	Comments
1.0	Conduct Legal Analysis		Christina			
1.1		Obtain Board approval for Legal Counsel	Eric	2/5/2015	Green	Complete
1.2		Obtain DGS approval of contract	Eric	3/5/2015	Green	Complete
1.3		Facilitate collaboration amongst contracting firms	Christina	on-going	Green	Kick-off meeting between firms occurred early May 2015. Meeting scheduled for 7/22/15 between Overture Financial and KL Gates
1.4		Memo on ERISA issues and recommendations for new language, if any	KLG	TBD	Green	Due to the recent statements by the President, staff are recommending the Board submit a letter to DOL that would outline what Secure Choice would look like in California and how DOL rules could help make that possible.
1.5		Submit advisory opinion requests to US Department of Labor and Treasury	KLG	TBD	Green	Due to the recent statements by the President, staff are recommending the Board submit a letter to DOL that would outline what Secure Choice would look like in California and how DOL rules could help make that possible.

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1.5a		Opinion should support that Program is not subject to ERISA	KLK	TBD	Yellow	Due to the recent statements by the President, staff are recommending the Board submit a letter to DOL that would outline what Secure Choice would look like in California and how DOL rules could help make that possible.
1.5b		Opinion should support that program accounts will be given favorable tax treatment	KLK	TBD	Green	
1.6		Consult with Overture LLC on results of market analysis/feasibility study and program design recommendations	Christina	10/5/2015	Green	
1.7		Ensure Program is not subject to ERISA	KLK	1/1/2016	Green	
1.8		Utilize Legal Analysis to continue engagement with the Legislature and all interested parties	Christina	4/1/2016	Green	
2.0	Secure Choice Market Analysis/Feasibility Study/Program Design		Christina			
2.1		Evaluate proposals from RFP	Eric	2/5/2015	Green	Complete
2.2		Obtain board approval of vendor for study	Eric	3/5/2015	Green	Complete
2.3		Obtain DGS approval of contract	Eric	4/5/2015	Green	Contract was approved late - (4/22/15), but this item is now complete.
2.4		Faciliate collaboration amongst contracting firms	Team/ Christina	on-going	Green	Next meeting scheduled for 7/22/15
2.5		Complete study	Overture	12/14/2015	Green	

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2.6		Present study to the Secure Choice Board	Overture	12/28/2015	Yellow	We understand this is a tight deadline
2.7		Board presents findings and recommendations to the Legislature	Board with staff reco	1/5/2016	Yellow	Depending on Board direction, this may need to get pushed out to February 2016.
4.0	Ensure Stakeholder and Constituent Involvement		Christina			
4.1		Complete Fact Sheet on Program to send to interested parties	Ruth	3/5/2015	Green	Complete
4.2		Conduct various educational sessions for the Board on Policy Issues the Board should be considering this year	Ruth	3/31/2016	Green	On-going throughout calendar year 2015.
4.2a		Issue Briefing 1: Overview of Retirement Crisis in California	Ruth	4/27/2015	Green	Panel has been confirmed
4.2b		Issue Briefing 2: Comparable Programs	Ruth	5/26/2015	Green	Panel has been confirmed
4.2c		Issue Briefing 3: Governance Issues	Ruth	6/29/2015	Green	Panel has been confirmed
4.2d		Issue Briefing 4: Developing Investment Principles and Policies	Ruth	7/27/2015	Green	Panel has been confirmed
4.2e		Issue Briefing 5: Investment Products and Impact of Design features on Participation and Contribution Rates	Ruth	8/24/2015	Green	Panel is being developed
4.2f		Issue Briefing 6: Strategies for Maximizing Participation of Employees and Employers	Ruth	9/28/2015	Green	To be developed soon
4.2g		Issue Briefing 7: Small Business and Non-Profit Administration	Ruth	10/26/2015	Green	To be developed soon
4.3		Conduct statewide outreach to interested parties	Ruth	on-going	Green	

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4.3a		Listening session in Northern California (San Francisco), hosted by CAPC	Ruth	5/20/2015	Green	Event was successful and provided staff interesting findings that were shared with our research team at Overture.
4.3b		Listening session, hosted in Southern California, hopefully working with local chambers	Ruth	TBD	Green	Working with Cindy Pollard for a Bakersfield event
4.4		Secure Choice Website Usability	Christina	TBD	Green	
4.4a		Create list of features for website	Team/ Christina	TBD	Green	
4.4b		Work with IT to get a timeline of availability so that we can ensure better website usability by due date	Team	TBD	Green	
4.4c		Stakeholder survey: survey the board on features they would like to see on the website in the coming year	Team	TBD	Green	
4.4d		Present results of survey to the board with recommendations for implementation of reasonable requested features	Christina	TBD	Green	
4.5		Recruit stakeholder representatives to testify at each monthly Board Meeting	Ruth	5/1/2015 & On-going	Green	On-going throughout calendar year 2015.
4.6		Build coalition of at least 30 stakeholders/interested parties representing small business, non-profits, and groups serving the target populations	Ruth	1/1/2016	Green	
4.7		Develop Pre-Product/Post-Product Communication Plan	Ruth	6/19/2015	Green	Complete
4.7a		Identify Key Stakeholders	Ruth	5/15/2015	Green	Complete

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		Create Fact Sheet for key audiences: business/low-income/employers	Ruth		Green	Complete
4.7b		Create contact list	Ruth	5/22/2015	Green	Complete
4.7c		Identify funding sources	Ruth	5/22/2015	Green	Complete
4.7d		Create plan for funding	Ruth	5/29/2015	Green	Complete
4.7e		Create Communication Plan for FY 15/16	Ruth	6/12/2015	Green	Complete
4.7f		Obtain Board Approval of Communication Plan	Christina	6/29/2015	Green	Complete
4.7g		Implement Communication Plan	Christina	7/1/2015	Green	On-going throughout calendar year 2015.

Estimated Invoice 001- May 1st- June 30th 2015
California Secure Choice Retirement Savings Investment Board RFP No. CSCRSIB03-14

Project Timeline: 5/1/2015 - 12/14/2015

Firm	Budgeted Amount	Invoiced as of				Remainder Budget
		6/30/2015	8/30/2015	10/30/2015	12/14/2015	
Overture Financial	\$ 251,210.41	\$ 83,547.56				\$ 167,662.85
UC Berkeley Center for Labor Research and Education	\$ 83,491.31	\$ 26,368.14				\$ 57,123.17
Greenwald & Associates (6 Focus Groups + 1 Survey)	\$ 84,110.00	\$ 45,250.00				\$ 38,860.00
Segal Consulting	\$ 64,604.31	\$ 7,900.93				\$ 56,703.38
BridgePoint Group	\$ 14,950.00	\$ 3,910.00				\$ 11,040.00
Total Cost Proposal for Project	\$ 498,366.03	\$ 166,976.63				\$ 331,389.40