
September 28, 2015

Meeting Minutes

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Board members present:

Grant Boyken for the State Treasurer, John Chiang
Karen Greene Ross for the State Controller, Betty Yee
Eraina Ortega for the Director of Finance, Michael Cohen
Edward De La Rosa
Heather Hooper
William Sokol
Marty Morgenstern
Cynthia Pollard

Board members absent:

Yvonne Walker

Secure Choice staff present:

Christina Elliott, Acting Executive Director
Eric Lawyer, Retirement Security and Insurance Analyst
Ruth Holton-Hodson, Senior Policy Advisor
Deborah Yang, Senior Attorney

Grant Boyken, serving as Chair, called the meeting to order at 1:06 pm.

Agenda Item 1 – Approval of the minutes of the August 24, 2015 meeting of the California Secure Choice Retirement Savings Investment Board (ACTION ITEM)

Chair Boyken asked for public comment; there were none.

Board Action

Motion to approve the minutes of the August 24, 2015 meeting of the California Secure Choice Retirement Savings Investment Board.

MOTION:	Karen Greene Ross	SECONDED:	Bill Sokol
AYES:	Grant Boyken, Karen Greene Ross, Eraina Ortega, Edward De La Rosa, Heather Hooper, Bill Sokol, Marty Morgenstern, Cynthia Pollard		
NOES:	None		
ABSTAIN:	None		

RECUSE:	None
ACTION	Motion Passes

Agenda Item 2 – Acting Executive Director’s Report (INFORMATION ITEM)

Acting Director Christina Elliott provided an update to the Board on progress made toward achieving the objectives in the Secure Choice Business Plan and discussed a call between Secure Choice staff and White House, U.S. Treasury, and U.S. Department of Labor (DOL) officials to discuss the rules proposed by DOL regarding savings arrangements established by states for non-governmental employees like Secure Choice.

Agenda Item 3 – Travel Requests (ACTION ITEM)

Acting Director Christina Elliott requested approval of travel request of an estimated \$1500 for travel to Washington D.C. to meet with officials from the White House, Congress, and DOL regarding the proposed rules regarding savings arrangements established by states for non-governmental employees.

Chair Boyken asked for public comment; there were none.

Board Action

Motion to approve the Acting Executive Director’s travel request.

MOTION:	Bill Sokol	SECONDED:	Cynthia Pollard
AYES:	Grant Boyken, Karen Greene Ross, Eraina Ortega, Edward De La Rosa, Heather Hooper, Bill Sokol, Marty Morgenstern, Cynthia Pollard		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion passes		

Agenda Item 4 – Resolution No. 2015-05: Resolution of the California Secure Choice Retirement Savings Investment Board Relating to the Approval to Amend Agreement CSCRSIB02-14 with K&L Gates, LLP for Legal Services (ACTION ITEM)

The Board considered revising agreement CSCRSIB02-14 (the agreement) with K&L Gates, LLP for legal services to include additional K&L Gates, LLP attorneys to provide legal expertise on certain areas of securities law and the PATRIOT Act relative to program design.

Chair Boyken asked for public comment; there were none.

Board Action

Motion to approve Resolution No. 2015-05 to amend Agreement CSCRSIB02-14 with K&L Gates, LLP for legal services.

MOTION:	Bill Sokol	SECONDED:	Cynthia Pollard
AYES:	Grant Boyken, Karen Greene Ross, Eraina Ortega, Edward De La Rosa, Heather Hooper, Bill Sokol, Marty Morgenstern, Cynthia Pollard		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion passes		

Agenda Item 5 – Resolution No. 2015-06: Resolution 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 (ACTION ITEM)

Because of the delayed start date of agreement CSCRSIB03-14 with Overture Financial LLC for market analysis, program design, and financial feasibility study (“the agreement”) and the extension to the term of the agreement, indirect costs incurred by the UC Berkeley Center for Labor Research and Education (“CLRE”) for the 2014-15 Fiscal Year were below Overture Financial’s cost proposal while some of the indirect costs will instead be incurred in the 2015-16 Fiscal Year. The Board considered amending the agreement to re-allocate the indirect cost line item across fiscal years accordingly for CLRE, without a change in the total indirect cost amount or total contract amount.

Chair Boyken asked for public comment; there were none.

Board Action

Motion to approve Resolution No. 2015-06 to amend Agreement CSCRSIB03-14 with Overture Financial LLC for Market Analysis, Feasibility Study, and Program Design Consultant Services.

MOTION:	Cynthia Pollard	SECONDED:	Bill Sokol
AYES:	Grant Boyken, Karen Greene Ross, Eraina Ortega, Edward De La Rosa, Heather Hooper, Bill Sokol, Marty Morgenstern, Cynthia Pollard		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion passes		

Agenda Item 6 – Update on Retirement Security Initiatives (INFORMATION ITEM)

Grant Boyken requested that this item be moved to end of the agenda.

Eric Lawyer updated the Board on retirement security initiatives as well as the status of the letters sent on behalf of the Board regarding the proposed fiduciary rule and the rule regarding savings arrangements established by states for non-governmental employees.

Agenda Item 7 – Legal Analysis Update (INFORMATION ITEM)

Bill Schmidt of K&L Gates, LLP presented the legal analysis update to the Board and discussed the model regulations for a savings arrangement established by states for non-governmental employees.

Agenda Item 8 – Market Analysis, Feasibility Study, and Program Design Update (INFORMATION ITEM)

Mohammad Baki and Samir Kabbaj of Overture Financial, and Nari Rhee of CLRE (subcontractor) updated the Board on program design, market analysis, and the feasibility study. Nari Rhee spoke about discussions with the Employee Development Department (EDD) and noted the progress made in the market analysis. Mohammad Baki discussed further analysis regarding investment options to be considered in program design.

Karen Greene Ross asked if there could be a subcommittee to discuss alternative options. Grant Boyken recommended that the Board defer to staff regarding alternative funding plans.

Public Comment

Chair Boyken asked for public comment. Craig Nelson from SEIU Local 1000 voiced support for Secure Choice.

Other Business

None.

The meeting adjourned at 2:36 pm.