
SEPTEMBER 25, 2017

AGENDA ITEM 2
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Executive Director's Report

Staffing

Secure Choice staff hired an analyst, Jonathan Herrera. He will begin working for the Program on October 9th. Staff have an active search for another analyst pending and hope to fill that position during October.

Budget

The Budget Change Proposal (“BCP”) for fiscal year 2018-19 has been submitted to the Department of Finance (“DOF”). The Program is requesting general fund loan authorization for \$20,000,000 to provide resources necessary to implement and administer the Program. The Program has spent approximately \$450,000 to date from loan funds. DOF is currently reviewing the BCP. If DOF staff have any questions about the BCP staff should receive them by early October. Otherwise, a DOF staff recommendation on the proposed BCP is expected by the end of October.

Contracts Executed Under Delegated Authority

None to report.

Program Consultant

The contract with AKF Consulting was executed August 31, 2017. The AKF team is beginning to work on an investment consultant procurement strategy, coordinating with staff on the development of regulations and program rules, and the strategy for procurement of a third-party administrator, among other research and administrative tasks. AKF will briefly describe the revised work plan in item five and will discuss strategies for the investment consultant procurement in further detail in item six.

Fiduciary Training

At the October California Secure Choice Retirement Savings Investment Board (“Board”) meeting, AKF Consulting will provide a fiduciary training for the Board. The purpose of the training is to provide a foundation to understand the applicable standards for Board Members as they exercise their fiduciary duties to Secure Choice participants. Topics covered will include legal framework, fundamentals of fiduciary duty, and good governance practices and processes.

Stakeholders

Since the August 28, 2017 Board meeting, staff facilitated two additional informal stakeholder working group meetings. The employee working group met September 6th to provide input on enrollment, contributions, automatic escalation, portability, and early-retirement withdrawals. The working groups met jointly September 18th and were joined by AKF Consulting and representatives from the Employment Development Department (EDD). The findings from that meeting and all other stakeholder working group meetings will be discussed in further detail in item three.

Branding

A request for qualifications was released September 1st, with proposals due September 18th. The winning firm will assist staff and the Board in proposing names for the program, testing proposed names with target populations, and designing options for logos. The anticipated start date for the contract is October 9, 2017. The chosen firm will present options to the Board in November or December.

Foundations

Staff continue to meet with leaders in the philanthropic community to introduce or re-introduce the Program and staff, discuss possibilities for ways the foundations may support the Program's work, and ensure that they are directly connected to the coalition organizations that could be the recipients of grants for outreach work.

Media Mentions

(Specific mentions of or quotes from the Program, Board members, or staff)

1. Study: Stockton is worst city in California for retirement (Central Valley Business Times | September 13, 2017)
2. <http://www.centralvalleybusinesstimes.com/stories/001/?ID=33290>
3. OregonSaves strides into breach (The Register-Guard | September 3, 2017)
<http://registerguard.com/rg/news/local/35912490-75/oregonsaves-strides-into-breach.html.csp>
4. Unions are strong in California. This case is about to put that unity to the test (Yvonne Walker | The Sacramento Bee | September 1, 2017)
<http://www.sacbee.com/opinion/california-forum/article170129487.html>
5. Op-Ed: Wealth, not just wages, is the way to measure women's equality (Robert Reich & Heather McCulloch | Los Angeles Times | August 25, 2017)
<http://www.latimes.com/opinion/op-ed/la-oe-reich-mcculloch-womens-wealth-gap-20170825-story.html>
6. 8 states, 8 state-sponsored retirement plans (BenefitsPRO | August 22, 2017)
<http://www.benefitspro.com/2017/08/22/8-states-8-state-sponsored-retirement-plans?slreturn=1505159157>

Events in Prior Month

1. August 29, 2017: California Asset Building Coalition Capital Day Lunchtime Panel (Sacramento, CA)

Upcoming Events

External events at which Secure Choice staff and/or Board members are participating in the coming months:

1. October 13, 2017: Financial Planning Association of Northern California, Monthly Chapter Meeting Presentation (Ranch Cordova, CA)
2. October 16, 2017: Closing the Women's Wealth Gap, Presentation on Monthly National Call
3. October 19, 2017: Association of California Life & Health Insurance Companies Annual Conference, Panel Presentation (Napa, CA)
4. October 19, 2017: World Economic Forum Workshop (San Francisco, CA)
5. October 26, 2017: Aspen Institute – Latinos and Society, Panel Presentation (Washington, D.C)
6. November 2, 2017: California Asset Building Coalition/Bay Area Funders Network Annual Symposium, Panel Presentation (Oakland, CA)