

RESOLUTION NO. 2025-01

RESOLUTION OF THE CALSAVERS RETIREMENT SAVINGS BOARD RELATING TO THE APPROVAL FOR EMPLOYER PAYROLL AGGREGATOR OPTION

WHEREAS, the CalSavers Retirement Savings Board (the “Board”) and the CalSavers Retirement Savings Program (the “Program”) are established in Title 21 (commencing with Section 100000) of the Government Code;

WHEREAS, Government Code Section 100012(a) provides the Board the power and authority to design, establish, and operate the Program in a manner consistent with best practices for retirement savings vehicles, sound investment practices and the appropriate selection of default investments, and the simplicity and ease of administration for participating employers and the portability of benefits;

WHEREAS, Government Code Sections 10002(d), 10010(a)(1), 10010(a)(5) and 10043(b)(1)(D) require and empower the Board to take the following actions, which it has and continues to do so: adopt a third-party administrator operational model; enter into contracts; contract with a program administrator and determine its duties; and discharge their duties as fiduciaries with respect to the trust solely in the interest of the program participants;

WHEREAS, the Board approved agreement CSCRSIB07-17 with Ascensus College Savings Recordkeeping Services, LLC (“Ascensus”) for program administration on August 16, 2018 pursuant to Resolution 2018-05, which was subsequently amended on or about November 21, 2022 (“CSCRSIB07-17A” or “Agreement”);

WHEREAS, subsequent to Resolution 2018-05 and its corresponding agreement CSCRSIB07-17A, CalSavers staff and Ascensus continue to receive regular inquiries from employers for access to an online enhancement that would automate the requirements of the CalSavers mandate;

WHEREAS, many employers use payroll integration systems to streamline and manage payroll and other benefits for their employees and therefore, employers frequently inquire about the possibility of utilizing their existing systems to incorporate the requirements of the CalSavers mandate;

WHEREAS, Ascensus has provided a free model pursuant to the scope of work within agreement CRSIB07-17A, where employers can manually upload and navigate the CalSavers self-service platform within the CalSavers employer portal (CalSavers Employer Portal) but where CalSavers staff believes that it is in the best interest of the Program, and within the scope of work within agreement CRSIB07-17A, for an optional, third party payroll aggregator system to be included within the CalSavers Employer Portal, where employers will have the discretion to use a payroll aggregator system called “Payroll Integrations”, which will allow for integrations with many of the independent payroll service providers most routinely used by small employers, who are subject to the CalSavers mandate;

WHEREAS, Ascensus has represented that it is not, nor will it, receive direct monetary benefit from the integration of the third-party payroll aggregator system “Payroll Integrations” as it pertains to the CalSavers Employer Portal and where it is obligated to disclose any conflicts of interest to CalSavers that may arise as detailed within CSCRSIB07-17A;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director, or in their absence, the Chair, or their respective designees, are hereby directed and authorized subject to his or her approval to enable Ascensus College Savings Recordkeeping Services, LLC to provide access to a optional, third-party payroll aggregation service-provider based upon the terms of CSCRSIB07-17A on the CalSavers Employer Portal for the purpose of facilitating payroll integrations for employers. Board approval is conditioned on the following:

- 1) The incorporation of clear and explicit language on the CalSavers Employer Portal, as approved by the Executive Director or his/her designee detailing that a free, self-service method to meet

- the CalSavers mandate continues to be available for employers;
- 2) The CalSavers Employer Portal shall make it clear and explicit that CalSavers is providing access to a third-party payroll aggregator, which has systems compatible with the CalSavers Employer Portal for a fee to the employer, and that neither CalSavers nor Ascensus are receiving any revenue from this enhancement;
 - 3) The CalSavers Employer Portal will clearly and explicitly detail that CalSavers is not ensuring or making any representations or warranties about the services provided by any third-party payroll aggregation service provider;
 - 4) The consent of the Board for the third-party payroll aggregation service provider enhancement within the CalSavers Employer Portal is within its sole and absolute discretion, pursuant to CSCRSIB07-17A, and is subject to termination as described in that Agreement; and
 - 5) The Board is not a party to, and conditionally waives its right, to enter into the third-party subcontract between Ascensus and Payroll Integrations pursuant to CSCRSIB07-17A unless prescribed by a subsequent resolution.

Attest: _____
Chairperson

Date of Adoption: _____