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**Minutes of the  
Oregon Retirement Savings Program  
WebEx Meeting of November 10, 2020**

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Members Present: Treasurer Tobias Read, Chair  
Jeff Anderson  
Kara Backus  
Edward Brewington  
Cory Streisinger  
Senator Lee Beyer  
Representative Pam Marsh

Network Staff: David Bell, Deputy Director  
Kaellen Hessel, Advocacy/Outreach Manager  
Kasey Krifka, Engagement Director  
Michael Parker, Executive Director  
Sabra Purifoy, Operations Director  
Missy Simpson, Executive Coordinator  
John Valley, Policy & Outreach Director  
James Sinks, Financial Education Program Manager

Others Present: Angela Antonelli, Georgetown Center for Retirement  
James Balsan, BNY Mellon/Sunday  
Ted Bender, Ascensus  
Meredith Coba, Legislative and Outreach Coordinator  
Courtney Eccles, Director of Secure Choice, Illinois  
David Elott, Assistant General Counsel  
Ryan Fitzgerald, Sellwood Consulting  
Matt Golden, Ascensus  
Jeff Gudman, Lake Oswego  
Ryan Harvey, Sellwood Consulting  
Julie Hall, Chief Procurement Officer  
Brian Hogan, Ascensus  
Michael Kaplan, Deputy State Treasurer  
Carolynn Kohout, Home Healthcare Worker  
Doug Magnolia, BNY Mellon/Sunday  
Lisa Massena, Massena & Associates  
Vidur Mehra, State Street Global Advisors  
Jennifer O'Neill, BNY Mellon  
Sonya Park, State Street Global Advisors  
George Piquette, Ascensus  
Kevin Raymond, Sellwood Consulting  
Katie Selenski, Executive Director of CalSavers  
Aidan Yeaw

The meeting was called to order at 3:01 p.m. by Treasurer Tobias Read, Chair.

## **Agenda Item 1 – Review and approval of the August 4, 2020 Board Minutes (ACTION ITEM)**

**MOTION:** Board Member Jeff Anderson moved to approve the August 4, 2020 minutes, seconded by Board Member Cory Streisinger. The minutes were approved by a 5/0 vote.

## **Agenda Item 2 – Contract Review (ACTION ITEM)**

### **Agenda Item 3 – Program Administration (ACTION ITEM)**

Michael Parker, Executive Director, and David Elott, Oregon State Treasury Assistant Council and Legal Counsel to the Board, gave a presentation to the Board regarding the contract and informed the Board there would be two resolutions staff is recommending for adoption. Any proposed agreements will need to come back to the Board for final approval, so there will be an opportunity to see these issues again at a later time. For the first resolution, Mr. Parker recommends the Board direct staff to begin negotiating a termination agreement with Ascensus. For the second resolution, Mr. Parker recommends the Board direct staff to enter into Special Procurement and negotiate Plan Administration Services with Sunday Administration.

**MOTION:** Board member Jeff Anderson moved to Adopt the Resolution to Terminate, giving the Executive Director Delegation of Authority regarding the Plan Administration and Management Agreement with Ascensus College Savings Recordkeeping Services, LLC, seconded by Board member Edward Brewington. The Resolution was approved by a 5/0 vote. (Resolution to Terminate - Attachment A)

**MOTION:** Board member Jeff Anderson moved to adopt the Resolution for Special Procurement, including the finding of facts on attachment A, and for Staff to negotiate Plan Administration Services with Sunday Administration, LLC, seconded by Board member Cory Streisinger. The Resolution was approved by a 5/0 vote. (Resolution for Special Procurement - Attachment B)

## **Agenda Item 4 – Investment Performance Update (Originally Agenda item 5) (INFORMATION ITEM)**

Ryan Harvey, Sellwood Consulting, gave an update on the Investment Performance Report, a copy of which is part of the Network's records for this Board meeting. Mr. Harvey noted that all funds in the program were positive and as of today, a new all time high in the market. The program continues to see a steady decline in the Capital Preservation Fund, which is 50% of the overall program. The Capital Preservation fund returns remain at zero. The Target Retirement Date Funds are above their benchmark for every single period shown in the report.

## **Agenda Item 5 – Program Implementation and Administration (INFORMATION ITEM)**

### **a. Implementation/program numbers**

David Bell, Deputy Director, presented the Program Manager Update. Staff have decided to streamline data currently shared with the Board, and will include a new report that will be uploaded to the Treasury website each month. The total assets for the program are over \$69 million, and the number of funded accounts is up 4,000 over last quarter, with the average funded account balance being \$931. There was a jump in enrolled accounts which are not funded accounts, due to onboarding personal support workers. Staff continue to see growth in the amount the self-enrolled accounts are

investing. A copy of the Program Manager Update is a part of the Network's records for this Board meeting

**b. Program Administration**

Matt Golden, Ascensus, shared updates on the Program Administration, a copy of which is part of the Network's records for this Board meeting. The number of employers submitting contribution files each week has rebounded from April, with the most recent increase in late October due to the compliance mailing. There was another spike in withdrawals when the 3<sup>rd</sup> quarter statements were released in October. Client services has seen an increase in call volume due to the enforcement letters that were sent out and employers that are now closed. Mr. Golden updated the Board on the Employer Journey enhancements and noted that the registration emails have now been fully implemented.

**PUBLIC COMMENT:**

Public comment was given by Carolynn Kohout. Ms. Kohout's comments were given to staff for a response.

The meeting was adjourned at 5:01 p.m.

**OREGON RETIREMENT SAVINGS BOARD**

**Resolution of the Board relating to  
Delegation of Authority to the Executive Director of the Oregon Savings Network  
regarding the Plan Administration and Management Agreement with Ascensus College  
Savings Recordkeeping Services, LLC**

November 2020

**WHEREAS**, Ascensus College Savings Recordkeeping Services, LLC (“Ascensus”), currently provides (directly or through its affiliates) program administrator and investment administrator (including trustee) services for the Oregon Retirement Savings Plan (the “Plan”) under the terms of that certain Plan Administration and Management Agreement dated as of April 3, 2017, between Ascensus and the Oregon Retirement Savings Board (the “Board”) (the “Plan Administration Agreement”).

**WHEREAS**, the number of accounts and assets in the Plan have not met the original projections of Ascensus and the Board as set forth in the Plan Administration Agreement;

**WHEREAS**, the Board has been negotiating for nine months with Ascensus on a restructuring of the Plan Administration Agreement to reflect the current and future anticipated number of accounts and assets in the Plan; and

**WHEREAS**, despite such negotiations, the Board and Ascensus have failed to reach agreement on a restructuring and the Board now desires to negotiate an agreement with Ascensus to terminate the Plan Administration Agreement.

**NOW, THEREFORE**, it is hereby resolved that:

1. The Executive Director of the Oregon Savings Network (the “Executive Director”) is authorized to negotiate with Ascensus the terms and conditions for the termination of the Plan Administration Agreement; and
2. The Executive Director shall submit any proposed agreement with Ascensus for termination of the Plan Administration Agreement, to the Board for approval.

**OREGON RETIREMENT SAVINGS BOARD**

**Resolution of the Board relating to  
Special Procurement Findings and Delegation of Authority to the Executive Director of the  
Oregon Savings Network to Negotiate Plan Administration Services with Sunday  
Administration, LLC**

November 2020

**WHEREAS**, the Oregon Retirement Savings Board (“Board”) anticipates the termination of the Plan Administration and Management Agreement between the Board and Ascensus College Recordkeeping Services, LLC (“Ascensus”), under which Ascensus provides (directly or through its affiliates) program administrator and investment administrator (including trustee) services (the “Services”) for the Oregon Retirement Savings Plan (“ORSP”);

**WHEREAS**, the Board desires to enter into direct negotiations with Sunday Administration, LLC (“Sunday”), for delivery of the Services after Ascensus’ delivery of the Services ends; and

**WHEREAS**, ORS 279B.085 permits the Board to use a contracting procedure different from the procedures otherwise provided for in the Public Contracting Code, referred to as a contract-specific special procurement, upon making certain findings.

**NOW, THEREFORE**, it is hereby resolved that:

1. The Board adopts the findings set forth in Attachment A to this Resolution, for direct negotiations with Sunday as the contract-specific special procurement for the Services;
2. The Executive Director of the Oregon Savings Network (the “Executive Director”) is authorized to conduct direct negotiations with Sunday for a contract to deliver the Services; and
3. The Executive Director shall submit any proposed contract with Sunday for the Services, to the Board for approval.

## **ATTACHMENT A PROCUREMENT FINDINGS**

**The Board finds that this special procurement will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts and will otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the requirements of ORS 279B.055, 279B.060, or 279B.070, or any rules adopted thereunder, for the following reasons:**

- 1) **Time is of the Essence:** The Board anticipates that it will begin negotiating the termination of the contract with the current provider immediately. In addition, the Program has limited funds to maintain operations long enough to execute a full solicitation and only one known source can meet the Board's needs within the required timeframe. Tens of thousands of OregonSaves participants may be left without adequate program services if a new program administrator is not put in place as soon as possible. The tight timetable for this project requires a level of management, flexibility and existing infrastructure above what would ordinarily be available with traditional competitive public contracting.
- 2) **Uniqueness of Services:** The services being sought through this procurement are technically complex and will require significant work to efficiently, successfully and timely transition the Program in a way that is as minimally impactful to participants as possible. Initial market research indicates that there are very few firms providing the type of service being contracted for through this procurement. A contract-specific special procurement will ensure that the vendor is familiar with the systems currently in use and available.
- 3) **Substantial Cost Savings:** The awarding of a contract-specific special procurement should result in substantial cost savings by virtue of the ability to reduce solicitation costs when it is known that comparable products are not readily available.
- 4) **Reasonableness of Price:** While cost savings are difficult to quantify based on the nature of the Program, market research indicates that Sumday's proposed fee schedule will ultimately benefit OregonSaves retirement plan participants by providing enhanced user experience and reduced fees over the life of accounts.
- 5) **Staff Efficiency:** Traditional means of due diligence are difficult to engage in during COVID, however, representatives of the Board have previously completed onsite visits and interviews with Sumday. In addition, the Board's Investment Consultant already has experience working with Sumday.
- 6) **Cost-Effective Product Enhancement:** Sumday has the infrastructure in place for automated employer onboarding that is extremely robust, scalable, and inexpensive compared to others in the industry.
- 7) **Enhanced User Experience:** Sumday currently has technology which allows for payroll integration and a user-friendly employer platform functionality, which would provide for a more streamlined onboarding process for employers. Sumday also has the existing infrastructure for robust service centers allowing easy account access and management for employees.