

## What is CalSavers?

CalSavers is California's new retirement savings program for workers in the private sector who do not currently have a way to save at work. It's simple and completely voluntary for employees.

- Funded by employee savings (no employer fees or contributions)
- Employee participation is completely voluntary and they can opt in or out at any time
- Administered by a private-sector financial services firm and overseen by a public board chaired by the State Treasurer

## Limited employer role

- Add employees to CalSavers
- Submit participating employee contributions to CalSavers via simple payroll deduction
- There are no fees for employers to facilitate the program and employers are not fiduciaries of the program



## Meeting the CalSavers registration requirement

CalSavers applies to employers with five or more employees who do not offer a retirement savings plan. The three-year phased rollout will begin in mid-2019, with staggered deadlines for registration based on employer size. **All eligible employers can join at any time prior to their registration deadline.**

More than 100		June 30, 2020
More than 50		June 30, 2021
5 or more employees		June 30, 2022



For more information



[employer.calsavers.com](http://employer.calsavers.com)



(855) 650-6916



[clientservices@calsavers.com](mailto:clientservices@calsavers.com)



Mon - Fri 8:00 a.m. - 8:00 p.m. PT

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CalSavers

# A retirement savings program employees can trust

CalSavers is a simple, low-cost way for employees to save for retirement. Here's how:

- Employees save through payroll contributions
- Employee keeps their account even if they change jobs
- Easy, automated enrollment
- Roth Individual Retirement Account (IRA)



## Flexible employee participation and investment choice

- Standard investment options and savings rate of 5%
- Flexibility to choose savings rate<sup>1</sup> and investments
- Choose to opt in or out of CalSavers at any time<sup>2</sup>



## Cost to employee

- Approximately \$0.83 - \$0.95 per year for every \$100 in the employee's account depending on the employee's investment choice
- Pays for:
  - Administration of the program
  - Underlying fund expenses
  - This asset-based fee is automatically taken out of the account balance on a regular basis



## Investment menu

CalSavers offers a simple menu of investment options, from conservative investment options that seek to protect the principal to aggressive investments seeking higher returns. When employees invest in CalSavers, they get access to high quality mutual funds and other investment options, the value of which will vary with market conditions. Selections include:

- Money Market Fund<sup>3</sup>
- Target Retirement Date Funds<sup>3</sup>
- Bond Fund
- Global Equity Fund
- Environmentally and Socially Conscious Fund

Employees can access the full list of investment options at [saver.calsavers.com](http://saver.calsavers.com).

<sup>1</sup> Contributions may be made up to the the federal contribution limits set for a Roth IRA.

<sup>2</sup> By opting out, employee can leave any remaining balance in the account, transfer or roll it over to another Roth IRA, or request a distribution. Requesting a distribution may result in taxes and penalties.

<sup>3</sup> The first \$1,000 contribution will go into the Money Market Fund. Contributions after the first \$1,000 will be put into a Target Retirement Date Fund.

*The CalSavers Retirement Savings Program ("CalSavers" or the "Program") is an automatic enrollment payroll deduction IRA overseen by the California Secure Choice Retirement Savings Investment Board ("Board"). Ascensus College Savings Recordkeeping Services, LLC ("ACSR") is the program administrator. ACSR and its affiliates are responsible for day-to-day program operations. Participants saving through CalSavers beneficially own and have control over their IRAs, as provided in the Program Disclosure Booklet available at [saver.calsavers.com](http://saver.calsavers.com). CalSavers is not sponsored by the employer, and therefore the employer is not responsible for the Program or liable as a Program sponsor. Employers are not permitted to endorse the Program or encourage or advise employees on whether to participate, how much (if any) to contribute or provide investment help.*

*CalSavers offers investment options selected by the Board. For more information on CalSavers' investment options go to [saver.calsavers.com](http://saver.calsavers.com). Account balances in CalSavers will vary with market conditions. Investments in CalSavers are not guaranteed or insured by the Board, the State of California, the Federal Deposit Insurance Corporation, or any other organization.*

*CalSavers is a completely voluntary retirement program. Savers may opt out at any time or reduce or increase the amount of payroll contributions. If a saver opts out they can later opt back into CalSavers. In addition, California law requires that CalSavers conduct an Open Enrollment Period once every two years during which eligible employees that previously opted out of the Program shall be re-invited to participate under automatic enrollment and must opt out again if they still do not wish to participate in the Program.*

*Saving through an IRA may not be appropriate for all individuals. Employer facilitation of CalSavers should not be considered an endorsement or recommendation by a participating employer, IRAs, or the investment options offered through CalSavers. IRAs are not exclusive to CalSavers and can be obtained outside of the Program and contributed to outside of payroll deduction. Contributing to a CalSavers IRA through payroll deduction may offer some tax benefits and consequences. However, not everyone is eligible to contribute to a Roth IRA and savers should consult a tax or financial advisor if they have questions related to taxes or investments. Employers do not provide financial advice and employees should not contact an employer for financial advice. Employers should refer all questions about the Program to CalSavers. Employers are not liable for decisions employees make pursuant to Section 100034 of the California Government Code.*