

Minnesota Secure Choice Retirement Program Board of Directors Meeting

Tuesday, October 6, 2026, 11:30AM

Itaska Conference Room

60 Empire Dr., St. Paul, MN

Agenda

- 1. Call to Order**
- 2. Approval of July 14, 2026, Meeting Minutes - [Motion Needed]**
- 3. Program Governance (45 Minutes)**
 - a) Formation of standing committees – (Chair Schurtz)**
 - **Governance and Policy Review Committee – [Motion Needed]**
 - **Finance, Risk, and Audit Committee – [Motion Needed]**
 - **Executive Committee – [Motion Needed]**
 - b) Program deployment to in-home care worker population update – (Mr. Roberts)**
 - c) Update on Program revenues – (Mr. Roberts)**
 - d) Agency office relocation update – (Mr. Roberts)**
- 4. Program Monitoring (45 Minutes)**
 - a) Vestwell due diligence meeting report – (Mr. Roberts)**
 - b) Program performance update – (Mr. Roberts)**
 - c) Program communications and outreach update – (Ms. Kuhl)**
 - d) Customer service update – (Mr. Roberts)**
 - e) FY2026 end of year budget update – (Mr. Roberts)**
- 5. Adjournment**

Meeting Minutes: Board of Directors Meeting

Tuesday, July 14, 2026, 11:30 AM

The Board of Directors of the Minnesota Secure Choice Retirement Program held a hybrid meeting with board members participating remotely and in person at 60 Empire Drive, Suite 100, St. Paul, Minnesota, on Tuesday, July 14, 2026, at 11:30 a.m.

Board Members Present

Jill Schurtz, chair; James Miley, vice chair; Erin Leonard; Joe Ellickson; Robin Ritter (remote); KC Connors (remote); Danica Goshert (remote).

Others Present

Chad Roberts, (SCRB) Executive Director; Savanna Givens, (SCRB) Executive Aid; James Walsh, (SCRB) Communications and Marketing Coordinator; Mackenzie Kuhl, (SCRB) Communications Specialist; Ryan Tucker, (SBI); Courtney Eccles, (Vestwell) remote; Lindsey Knowles, (Ice Miller) remote

1. Call to Order

Chair Jill Schurtz called the meeting to order at 11:35 a.m.

2. Introduction of new Staff Member

Kuhl introduced herself and provided a brief history of her experience. The board welcomed her and thanked her for taking on the new role.

2A. Amendment to the Agenda

The board made the decision to delay section 5C until the next board meeting.

MOTION: Leonard moved to amend the agenda, removing section 5C. Seconded by Connors. Motion passed unanimously by roll call vote.

3. Approval of April 17, 2026, Meeting Minutes

MOTION: Leonard moved to approve the April 17, 2026, meeting minutes. Seconded by Ellickson. Motion passed unanimously by roll call vote.

4. Program Governance

A. Investment monitoring and performance

SBI provided an overview of its investment governance structure and the underlying approach to the program's investment lineup. The discussion emphasized simplicity, cost efficiency, and alignment with existing state retirement plans.

B. In-Home Care Worker Committee Report and Recommendation

Executive Director Roberts summarized the subcommittee's work regarding workers who receive difficulty-of-care payments. Legal counsel advised clear communications to affected workers about potential tax implications and options to manage contributions. The Board approved the recommended communication approach.

MOTION: Goshert moved to adopt the recommended approach to in-home care workers as presented. Seconded by Connors. Motion passed unanimously by roll call vote.

C. Consideration of revised *Partnership for a Dignified Retirement* termination language

The Board reviewed concerns about newly drafted partnership termination provisions, particularly the proposed 30-month timeline. Members agreed further discussion with partnership leaders and review of comparable state language is needed before proceeding.

D. Agency Office Relocation Update

Executive Director Roberts reported that the agency's lease is finalized and the move to permanent office space is expected in October, with costs aligning well with state guidelines.

5. Program Performance Monitoring

A. Record Keeper Operational Update

Ms. Eccles from Vestwell provided a program operations reporting progress on employer outreach, upcoming compliance deadlines, new payroll integrations, operational enhancements, and continued focus on security controls.

B. Program Performance Update

Executive Director Roberts reported that Program participation continues to grow, with increasing employer registrations, employee enrollments, and asset levels. Opt-out and withdrawal rates remain low.

C. Program Communications Update

Communications staff members Walsh and Kuhl provided a summary of marketing and communications efforts including multiple email and direct mail campaigns, strong social media engagement, and upcoming plans for more targeted outreach and expanded creative content.

D. Customer Service Update

Executive Director Roberts reviewed call center KPIs and recent operational changes. Call center metrics showed temporary impacts from a system transition, with service levels improving afterward. Certain trends, including abandonment rates, continue to be monitored with partners.

E. Budget Update

Executive Director Roberts presented the FY26 quarterly budget snapshot. The budget is tracking under plan, with final projections indicating the program will finish the year below budget. Expected one-time MNIT expenses for the new office will appear in the next fiscal cycle.

6. Adjournment

MOTION: Connors moved to adjourn the meeting. Seconded by Miley. Motion passed unanimously by roll call vote.

The meeting adjourned at 1:07 p.m.

Memo

Date: September 24, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Proposed establishment of standing committees

Requested Board Action

Approve the establishment of the following standing committees of the Minnesota Secure Choice Retirement Board:

1. Finance, Risk, and Audit Committee
2. Executive Committee
3. Governance and Policy Review Committee

Approve the attached committee charters and authorize the Board Chair to appoint committee members.

Background

As the Minnesota Secure Choice Retirement Program continues to mature, the volume and complexity of financial, governance, policy, and oversight matters presented to the Board continue to increase. Establishing standing committees will strengthen the Board's governance framework by allowing detailed review of key issues before they are presented to the full Board for consideration.

The proposed committee structure enhances oversight while preserving the authority of the full Board. The committees will not exercise independent decision-making authority unless specifically delegated by statute or Board action. Rather, they will review matters within their assigned responsibilities, receive reports from staff and consultants, monitor performance and compliance, and develop recommendations for Board consideration.

The proposed structure is intended to improve Board efficiency, facilitate more in-depth discussion of complex issues, and provide greater continuity in oversight of the Program's financial management and governance practices.

Purpose of the Committee Structure

The policy-making function of the Minnesota Secure Choice Retirement Program is vested in a seven-member Board of Directors. Minn. Stat. § 187.08, subd. 1. To use that Board efficiently, the Board establishes three standing committees. Each committee examines a defined set of matters in more depth than a full Board meeting allows, and reports recommendations to the Board.

The three committees are:

- Finance, Audit, and Risk Committee — financial oversight, the administrative fund, fees, audit, internal controls, and enterprise risk.
- Executive Committee — executive director review and compensation, succession, and high-level policy direction, including legislative initiatives.
- Governance and Policy Review Committee — Board governance documents, ethics and conflicts, open-meeting practice, and systematic review of Program policies other than those reserved to the Executive Committee.

A matter that could reasonably sit with more than one committee is assigned by the Board chair after consultation with the committee chairs. In case of overlap, the Executive Committee does not displace the Finance, Audit, and Risk Committee on financial controls, fees, or the audit, and does not displace the Governance and Policy Review Committee on bylaws, charters, or the code of conduct.

Provisions Common to All Committees

Authority

Each committee is advisory unless the Board, by recorded vote, expressly delegates a specific action. No committee may:

- Appoint or remove the executive director, or set the executive director's compensation. Those duties are vested in the Board. Minn. Stat. § 187.08, subd. 7.
- Adopt rules under Minn. Stat. § 187.08, subd. 9.
- Set contribution rates or the escalation schedule, withdrawal and distribution options, or the default investment fund. Minn. Stat. § 187.08, subd. 8(5).
- Approve the annual budget, the annual financial report, or the annual outcomes report.
- Enter contracts, hire or terminate third-party service providers, or bind the Program, except as the Board has separately delegated in writing.
- Take any action that would constitute a quorum of the Board acting as the Board.

A committee recommendation is not Board action until the Board votes on it, except where the Board has made an express written delegation and the committee acts within that delegation.

Membership and officers

- Each committee has three Board members, appointed by the Board on recommendation of the chair. The Board may adjust size, but a committee shall not be sized so that its meeting is a meeting of a Board quorum unless the meeting is noticed as a Board meeting.
- The Board Chair designates a chair for each committee. The committee chair serves until a successor is appointed or until the member leaves the Board.
- The Board chair is an ex officio member of the Executive Committee and may attend other committees. The Board chair counts toward a committee quorum only when appointed as a voting member of that committee, or when serving ex officio on the Executive Committee.
- A committee member who has a conflict under Minn. Stat. § 187.08, subd. 10, or under section 187.09, shall not participate in the deliberation or recommendation on that matter.

Meetings, quorum, and records

- Committees meet as needed, and at least twice a year, unless the Board sets a different cadence.
- A quorum is a majority of the committee's appointed voting members.
- The executive director, or a designee, staffs each committee, prepares materials, and keeps minutes. Minutes record attendance, recommendations, and any delegated action, and are provided to the full Board.
- Committee members are compensated and reimbursed for authorized Board activity as provided in Minn. Stat. § 187.08, subd. 5, and section 15.0575, subdivision 3.

Reporting

Each committee chair, or the chair's designee, reports at the next regular Board meeting. Reports state the recommendation, the principal reasons, any dissent, and any item that requires a Board vote. Staff circulate materials far enough in advance for members to review them.

Finance, Audit, and Risk Committee

Purpose

The Finance, Audit, and Risk Committee assists the Board in overseeing the financial integrity of the Program, the Secure Choice administrative fund and trust accounting that the Board controls, administrative fees, the external audit, internal controls, insurance, and enterprise risk. Investment policy and investment oversight remain with the Board and the State Board of Investment, as provided in chapter 187. This committee monitors the financial consequences of those arrangements. It does not select investments.

Responsibilities

The committee reviews and recommends to the Board on the following.

- The annual budget and procedures for paying the costs of administering and operating the Program, consistent with Minn. Stat. § 187.08, subd. 8(2), and the condition of the Secure Choice administrative fund.
- Quarterly financial reports, significant variances, and the use of appropriations, loans, gifts, grants, and donations accepted under Minn. Stat. § 187.08, subd. 8(12) and (13).
- Administrative fees, costs, and expenses, including whether any fee assessed to covered employees stays within the limits in Minn. Stat. § 187.08, subd. 8(6), and whether the fee structure (asset-based, flat, or hybrid) remains appropriate.
- The annual financial report prepared according to generally accepted accounting principles, including costs of outside consultants, independent contractors, and other persons who are not state employees, before the Board publishes and delivers it under Minn. Stat. § 187.08, subd. 8(9).
- Engagement, independence, and reports of the external auditor; review of the audit plan, findings, and management's corrective actions; and any non-audit services that could impair independence.
- Internal controls over contributions, eligibility determinations that affect money movement, recordkeeper reporting, and the administrative fund.

- Procurement and renewal of insurance in connection with Program property and the activities of the Board, executive director, and staff. Minn. Stat. § 187.08, subd. 8(4).
- Enterprise risks that are financial, operational, compliance, cybersecurity, vendor, or reputational, and the Program's mitigation plans. Legal and policy risks that are principally questions of Program direction are referred to the Executive Committee. Governance-process risks are referred to the Governance and Policy Review Committee.
- Financial terms of major vendor arrangements, including the program administrator, recordkeeper, trustee or custodian, and auditor, for recommendation to the Board. The Board retains the duty to hire, retain, and terminate service providers under Minn. Stat. § 187.08, subd. 8(15).
- Financial implications of multi-state partnership arrangements under Minn. Stat. § 187.08, subd. 8(14), without displacing the Executive Committee on the policy direction of those arrangements.

Limits

The committee does not set executive compensation, direct the executive director's performance evaluation, or set legislative or participant-eligibility policy. It may advise the Executive Committee on the budgetary effect of those recommendations.

Executive Committee

Purpose

The Executive Committee assists the Board on two subjects that require continuity between Board meetings and careful handling outside the full agenda: executive review and compensation, and high-level policy direction. High-level policy direction includes issues that set the Program's course with participants, partner states, the Legislature, or state agencies, as distinct from the ongoing review of written policies assigned to the Governance and Policy Review Committee.

The committee exists because the Board, not staff, must appoint the executive director, determine the executive director's duties, and set compensation. Minn. Stat. § 187.08, subd. 7. It also gives the Board a place to frame issues such as legislative initiatives before they come to a Board vote.

Executive review and compensation

The committee:

- Recommends to the Board the appointment, and when necessary the removal, of the executive director, and the appointment of an interim executive director during a vacancy. Minn. Stat. § 187.08, subd. 7(a). The Board makes the appointment.
- Recommends the executive director's duties, annual goals, and any written delegation of hiring or contracting authority.
- Conducts the annual performance review of the executive director and recommends the review outcome to the Board. The executive director does not participate in deliberations on the review or on compensation. Minn. Stat. § 187.08, subd. 7(b).

- Recommends the executive director's compensation, within applicable state personnel and compensation constraints, for Board action. The committee may review market information and the budgetary effect with the Finance, Audit, and Risk Committee before the recommendation goes to the Board.
- Advises the Board chair on succession if the executive director is incapacitated or the position is vacant, and recommends an interim appointment to the Board.

High-level policy direction

The committee reviews and recommends Board position or direction on matters that set Program policy at a level above routine administration. Current and expected subjects include:

- Legislative initiatives. Proposals to amend chapter 187 or related law, agency positions on bills affecting the Program, testimony and written materials for the Legislative Commission on Pensions and Retirement and other committees, and the timing of those engagements. The executive director remains the day-to-day contact with the Legislature. The committee recommends the Board's position. The Board adopts it.
- Multi-state partnership policy. Financial terms are reviewed with the Finance, Audit, and Risk Committee.
- Position on contribution-rate or escalation changes, lifetime-income options, and expansion to individuals not employed by a covered employer, for recommendation to the Board. The Board retains the determinations in Minn. Stat. § 187.08, subd. 8(5), and section 187.05.
- Significant enforcement posture under section 187.12, where the question is policy rather than an individual case.
- Other items the Board chair or the Board assigns as high-level policy, including responses to federal tax guidance that would change who can participate or how contributions are characterized.

Limits

The Executive Committee is not a substitute Board. It does not adopt a final position, file legislation, or direct staff to implement a policy change until the Board has acted, unless the Board has delegated that specific step in writing. It does not review the audit, set fees, or rewrite the bylaws. Those remain with the other committees and the Board.

Governance and Policy Review Committee

Purpose

The Governance and Policy Review Committee assists the Board in maintaining the documents and practices by which the Board governs itself, and in reviewing Program policies on a set cycle so they stay consistent with chapter 187, the Internal Revenue Code provisions applicable to the IRAs, and Board direction. It owns the policy manual. It does not own the policy choices that the Board has assigned to the Executive Committee as high-level direction.

Responsibilities

The committee reviews and recommends to the Board on the following.

- Bylaws, these committee charters, the Board calendar, officer roles under Minn. Stat. § 187.08, subd. 6, and the onboarding of new members.
- Conflict-of-interest practice, economic-interest filings under Minn. Stat. § 187.08, subd. 10, and section 10A.09, and recusal procedures, including recusal of the executive director under subdivision 7(b).
- Open Meeting Law practices for the Board and its committees, including notice, remote participation, and closed-session criteria under chapter 13D.
- A policy-review calendar covering enrollment and transmission procedures, employer and employee notices, opt-out and contribution-election procedures, claims and appeals, data practices, records retention, procurement standards, and education and outreach materials required by Minn. Stat. § 187.08, subd. 8.
- Consistency of written policies with Board decisions on high-level direction. When the Board adopts a position on difficulty-of-care payments, legislation, or a similar matter, this committee confirms that the affected policies, notices, and procedures are updated. It does not reopen the policy choice unless the Board asks it to.
- Periodic review of whether Board rules adopted under Minn. Stat. § 187.08, subd. 9, should be amended, repealed, or left unchanged, with a recommendation to the Board.
- Board self-evaluation process and recommendations on member education. The committee does not evaluate the executive director. That review sits with the Executive Committee.

Limits

The committee does not set executive compensation, recommend legislative positions, or supervise the audit. If a policy review surfaces a question of Program direction, the committee refers that question to the Executive Committee and limits its own recommendation to the document changes that would follow the Board's decision.

Allocation of Recurring Items

The following allocation is the default. The Board may reassign an item for a given year.

- Budget, fees, GAAP financial report, auditor, insurance, and enterprise-risk register: Finance, Audit, and Risk Committee.
- Outcomes report under Minn. Stat. § 187.08, subd. 8(10): Executive Committee for the policy narrative and savings-goal discussion; Finance, Audit, and Risk Committee for the expense and penalty figures. The Board adopts the report.
- Executive director goals, review, and compensation: Executive Committee, for Board action.
- Legislative initiatives: Executive Committee, for Board action. Implementing notices and procedures: Governance and Policy Review Committee after the Board acts.
- Bylaws, charters, conflicts, open meetings, and the policy-review calendar: Governance and Policy Review Committee.

- Vendor hiring and termination: Board, with financial review by the Finance, Audit, and Risk Committee and, if the contract changes Program direction, a policy recommendation from the Executive Committee.

Adoption and Review

These charters take effect when the Board adopts them. The Governance and Policy Review Committee reviews the charters at least every two years, or sooner if chapter 187 is amended, and recommends changes to the Board. The Board may amend or repeal a charter by vote at a noticed meeting.

Finance, Audit, and Risk Committee

PURPOSE

- Provides financial oversight and risk monitoring for the Program and Secure Choice administrative fund.
- Oversees financial reporting, fees, audits, internal controls, insurance, and enterprise risk.
- Monitors the financial implications of investment arrangements; investment selection and oversight remain with the Board and State Board of Investment.

COMPOSITION

- 3 members appointed by the SCRB Chair
- Committee chair elected by committee members

KEY RESPONSIBILITIES

Financial Oversight



- Reviews and recommends the annual budget and financial procedures.
- Reviews quarterly financial reports and significant variances.
- Reviews administrative fees, costs, and expenses for compliance and appropriateness.
- Reviews the annual financial report before Board publication.

Audit & Controls



- Oversees the external audit, including auditor independence, audit plans, findings, and corrective actions.
- Reviews internal controls over contributions, eligibility determinations, recordkeeper reporting, and the administrative fund.

Risk & Contracts



- Oversees insurance for Program and Board activities.
- Monitors financial, operational, compliance, cybersecurity, vendor, and reputational risks and mitigation plans.
- Reviews financial terms of major vendor arrangements and multi-state partnerships.

AUTHORITY AND BOUNDARIES

The Board retains final decision-making authority, including hiring and terminating service providers. The committee does not select investments, set executive compensation, conduct the Executive Director's evaluation, or establish legislative or participant-eligibility policy. May advise the Executive Committee on the financial implications of its recommendations.

Executive Committee

PURPOSE

- Provides continuity between Board meetings on matters requiring ongoing oversight or careful handling.
- Focuses on executive leadership and high-level policy direction.
- Helps frame major issues before they come to the full Board for action.

COMPOSITION

- 3 members appointed by the SCRB Chair
- Committee chair elected by committee members

KEY RESPONSIBILITIES

Executive Leadership



- Recommends appointment, removal, or interim appointment of the Executive Director.
- Recommends Executive Director duties, goals, delegations, and compensation.
- Conducts the annual performance review and recommends the outcome to the Board.
- Advises the Board Chair on succession.

High-Level Policy Direction



- Recommends appointment, removal, or interim appointment of the Executive Director.
- Recommends Executive Director duties, goals, delegations, and compensation.
- Conducts the annual performance review and recommends the outcome to the Board.
- Advises the Board Chair on succession.

AUTHORITY AND BOUNDARIES

The Board retains final decision-making authority unless specific authority is delegated in writing. The committee does not replace the Board or direct policy implementation before Board action.

Governance & Policy Review Committee

PURPOSE

- Supports the Board in maintaining the governance documents, practices, and processes by which the Board operates.
- Owns and maintains the Program policy manual.
- Reviews Program policies on a regular cycle to ensure alignment with Chapter 187, applicable federal requirements, and Board direction.
- Does not make high-level policy choices assigned to the Executive Committee.

COMPOSITION

- 3 members appointed by the SCRB Chair
- Committee chair elected by committee members

KEY RESPONSIBILITIES

Board Governance



- Reviews bylaws, committee charters, Board calendar, officer roles, and new member onboarding.
- Oversees conflict-of-interest practices, economic-interest filings, and recusal procedures.
- Reviews Open Meeting Law practices.

Policy Review



- Maintains a policy-review calendar for key Program policies and procedures.
- Reviews policies related to enrollment, notices, opt-outs, contributions, claims and appeals, data practices, records retention, procurement, and education/outreach.
- Ensures written policies remain consistent with Board decisions and high-level policy direction.
- Periodically reviews Board rules and recommends whether they should be amended, repealed, or maintained.

Board Development



- Supports the Board self-evaluation process.
- Recommends member education opportunities.

AUTHORITY AND BOUNDARIES

The Board retains final decision-making authority on policy choices. The committee does not set executive compensation, recommend legislative positions, oversee the audit, or evaluate the Executive Director. When policy review raises a question of broader Program direction, refers the issue to the Executive Committee.

Memo

Date: September 24, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: In-home Care Worker Population Program Rollout Update

Requested Board Action

Information only

Background

Minnesota law requires the Minnesota Secure Choice Retirement Program to make the Program available to community-based and in-home care workers as defined by the Minnesota Department of Human Services. This population consists of approximately 38,000 workers whose payroll administration is performed through 17 Fiscal Management Service (FMS) providers under contract with the Department of Human Services. The decentralized nature of Minnesota's payment structure is significantly more complex than the approach used in other state auto-IRA programs.

As staff worked with FMS providers and the Program's recordkeeper to prepare for implementation, a regulatory issue was identified involving workers whose compensation consists solely of difficulty of care payments under Internal Revenue Code §131. Because these payments may be excluded from gross income, questions arose regarding whether individuals receiving only these payments may participate in the Program's default Roth IRA arrangement.

The Board established a three-member committee on April 17, 2026, to evaluate this issue and provide recommendations to the full Board. The committee was charged with reviewing legal, operational, tax, and implementation considerations before the July Board meeting.

The committee reviewed information from staff, consultants, FMS providers, and the record keeper through a series of meetings. Upon completion of that review, the committee formulated a recommendation to the Board, which was considered at the July 14, 2026, meeting. The recommendation considered and adopted by the Board directed the executive director to develop a communication and operational approach to sufficiently inform and educate the recipients of difficulty of care payments to the implications and restrictions of participation in the Program. The Board further directed the executive director to make the Program available to the in-home care worker population after sufficient safeguards were in place and report back to the Board on the progress.

Update

Upon receiving direction from the Board to develop an approach to make the Program available to the in-home care worker population, staff developed a one-page flow chart for recipients of difficulty of care payments. The chart was developed with the consultation of the Program operational consultant, the Program legal counsel for retirement programming, and FMS providers. Staff then coordinated with the record keeper to develop an

approach to ensure all participants enrolled in the program received the flow chart and had continued access to the flow chart. Staff also worked with the record keeper to ensure call center staff employed by the record keeper were trained to answer questions from both participants and employers about the flow chart and difficulty of care payment issue.

The record keeper added the flow chart into the welcome packet all registrants for the Program receive upon enrollment. The record keeper also created a web page on the Program portal specifically for the difficulty of care payment flow chart and embedded links to the web page in the welcome emails that all registrants in the Program receive from the record keeper. The flow chart created was also translated into Somali, Hmong and Spanish and the translated documents were added to the web page on the Program portal. The flow chart and all translated versions were also provided to the FMS providers for dissemination through their in-house communication channels.

The Program will become available to all in-home care workers serviced by contracted FMS providers through Minnesota DHS beginning October 1, 2026. All FMS providers have been directed to have all in-home care workers registered and enrolled in the Program no later than October 31, 2026. Using this timeline, the Program will have been made fully available and accounts of the in-home care workers electing to remain in the Program will be available for funding by November 30, 2026, meeting the legislative deadline set out in statute.

Difficulty of Care Payment Recipient Rollout

1

Staff developed flow chart for recipients of difficulty of care payments explaining participation conditions

- Consulted with counsel, operational consultant, and FMS providers

2

Staff worked with the record keeper and developed operational mechanics to disseminate information to all Program participants



Dedicated web page on Program portal for difficulty of care recipients



Flow chart included in all welcome packets sent to new enrollees



Link to web page included in all record keeper emails to Program enrollees



All materials translated to Somali, Hmong, and Spanish



Call center staff trained to respond to inquiries about difficulty of care recipient participation

3

Staff worked with DHS and FMS providers to establish enrollment window for all FMS payees



ENROLLEMENT WINDOW

All FMS payees will occur between October 1, 2026, and October 31, 2026

Memo

Date: September 30, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Account Service Fee Program Revenue Increase

Requested Board Action

Information Only

Summary

The Minnesota Secure Choice Retirement Board approved a revenue structure for the program during the September 24, 2025, board meeting that included a combination of account service revenue and asset-based revenue. The asset-based revenue is a static 0.05% annually. The account-based fee was established as a portion of the overall account service fee charged by the record keeper.

At initial program launch, the total account-based service fee was set at \$24/account per year charged quarterly. The portion of that fee collected by the Program was initially \$2/account per year. The record keeper retained \$22/account per year. The partner agreement the Program has with the record keeper calls for an account service fee reduction on the part of the record keeper from \$22/year to \$20/year when the overall total funded accounts for the Partnership for a Dignified Retirement reaches 200,000 accounts. The Board established in 2025 that when the account threshold was achieved by the partnership, the Program would retain the additional \$2/year per account to provide funding for continued program operations.

In August 2026, the partnership surpassed the combined funded account total of 200,000 triggering the reduction in account service fee retained by the record keeper. The Program will see the increased program revenue from the increase in the Program's portion of the account service fee beginning in January 2027 with the revenue remittance for fees attributable to 4th quarter 2026.

Memo

Date: September 25, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Update on agency office relocation

Requested Board Action

Information Only

Summary

Staff were notified in November 2025 that the current office space leased by the agency within the Minnesota Pollution Control Authority building would no longer be available to the agency due to the space needs of PCA for its own staff. At the January 2026 meeting, the Board directed staff to identify and acquire a new location for housing the agency.

After due diligence, and consultation with the Chair and Ms. Leonard, staff have identified a permanent agency office location working with the state leasing office. The agency will be relocating to an office space in the Town Square Tower. The lease for the new location has now been executed. Electrical work, painting, and other preparation work is now underway by the landlord, MNIT, and the office furniture supply company in preparation for tenancy by the agency. The space is anticipated to be ready for occupancy in November 2026.

The agency has entered into a short-term extension for the current co-location agreement with the Minnesota Pollution Control Agency until the new office location is ready.

Memo

Date: September 28, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Record keeper due diligence visit

Requested Board Action

Information Only

Summary

Along with leadership from the other partner states in the Partnership for a Dignified Retirement, the executive director and a representative from the Minnesota State Board of Investment participated in due diligence meetings with the Program record keeper, Vestwell, and the custodian bank, BNY Mellon, on Wednesday, September 23, 2026.

Details of Meetings

The meetings were facilitated by Vestwell and included leadership from the company as well as key staff members representing the auto-IRA division of the company as well as information security and marketing elements from the company. Also attending portions of the meetings was the relationship manager from BNY Mellon assigned to Vestwell and the partnership accounts. The due diligence meetings did not include call center operations center visits, that element of due diligence will be conducted by the partnership at a future date. This set of meetings represented the first due diligence efforts of the partnership.

Meeting topics included the following:

- Company update and industry overview
- Fraud prevention efforts and efforts to enhance the know your customer and CIP processes
- Risk management, compliance, and data security framework and safeguards
- Product roadmap for future enhancements
- Data and reporting overview
- Investment and custodial services
- Operations and servicing
- Marketing and communications

There were significant takeaways the Board should be aware of:

- Vestwell continues to grow the auto-IRA element of their business model but also has significant growth, diversification and emphasis on other aspects of their business model to include 401k offerings and emergency savings accounts offerings.
- Continued improvement to the user experience and reduced failure rate of the know your customer and customer identification program is a priority for their team
- The fraud prevention efforts are robust and industry best practice based on the experience and knowledge of the executive director
- A deeper understanding was developed of the relationship between the record keeper and the custodian bank, including performance reporting, and SBI staff had the opportunity to explore that relationship more in-depth with all parties being present at the same time
- Concerns regarding call center operations were expressed with not only the customer relationship team assigned to the agency but also with management overseeing those operations on the Vestwell side

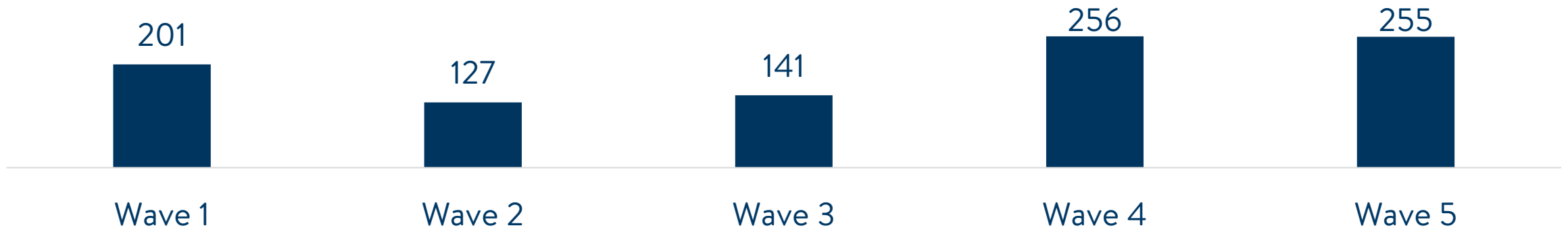


PROGRAM PERFORMANCE UPDATE

Activity During CY26 3rd QTR

(Jul 1 – Sep 22)

Employers Enrolled by Wave



Total Employees Registered

57,521

Total Opt-Outs

9,660

Total Contributions

\$5,026,968

Current Wave 2 Performance

(Jul 1 – Sep 22)

42.6%
Compliance
Rate

Newly Registered Employees
(Across all Waves)

23,245

Newly Funded Accounts
(Across all Waves)

10,422

Total Invited W2

2,883

Total Exempted

1,103

Total Registered

127

Total Not Registered

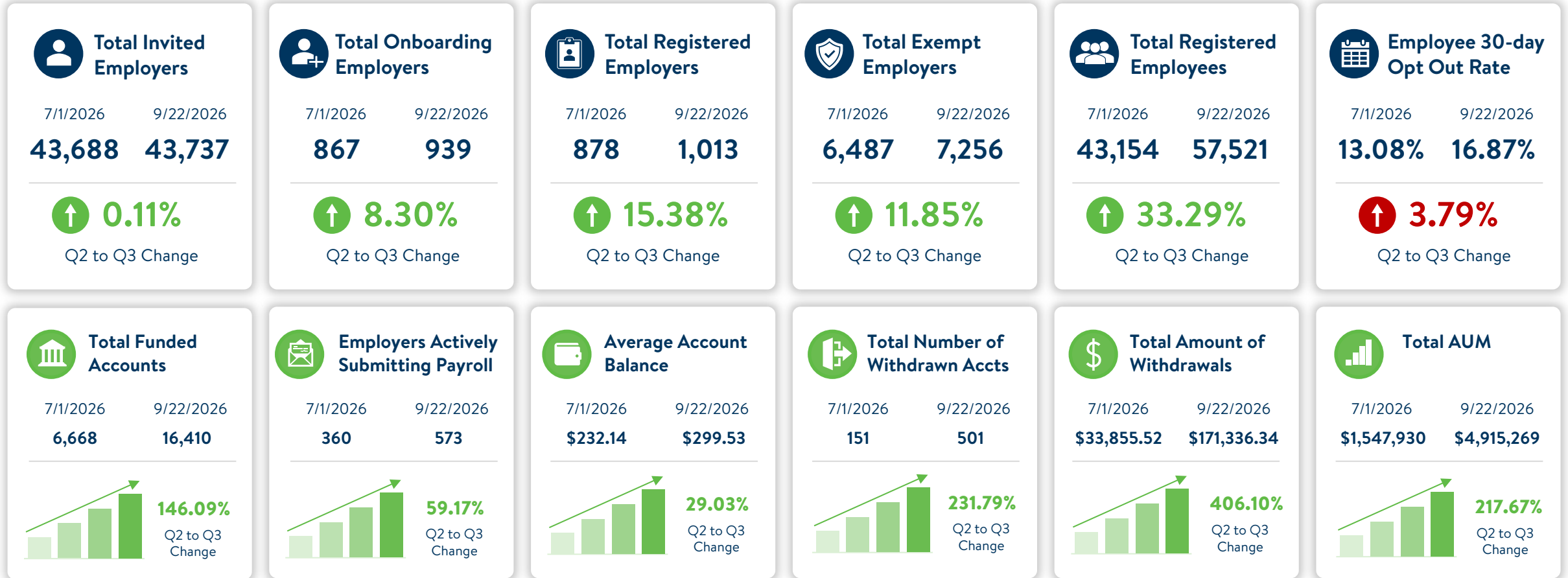
1,518

Total Onboarding

135

Overall Program Performance

CY26 QTR2 to CY26 QTR3 Comparison



Employer & Employee Metrics
Engagement and participation overview

Financial & Account Metrics
Account activity and financial performance

PROGRAM COMMS AND OUTREACH UPDATE



Granicus Communication Metrics

(Jul 1 – Oct 1)

Date	Target	Audience Size	Open Rate	Click Rate	Message
7/01	Wave 2	989	46%	14%	If You Have 50-99 Employees It's Time to Register
7/28	Wave 2	919	49%	14%	How to Enroll in the MNSCRP
7/31	W2-W5 Active, No Payroll	179	66%	7%	Thank you for enrolling
7/31	W1 Onboarding, Not Registered	162	44%	17%	You Are 30 Days Past
8/25	W2-W5	16,163	45%	6%	What Are Other Employers Saying?
9/1	W1-W5 Active	872	49%	4%	What Are Other Employers Saying? (Different CTA)
9/9	W1-W5	16,991	39%	6%	Payroll Submission Webinars
9/23	Wave 2	776	38%	7%	Take Care of Your Requirements Before the Holidays!

Subscriber Counts

Employees

45,466

Employers

19,741

Open Rate
Industry Average:

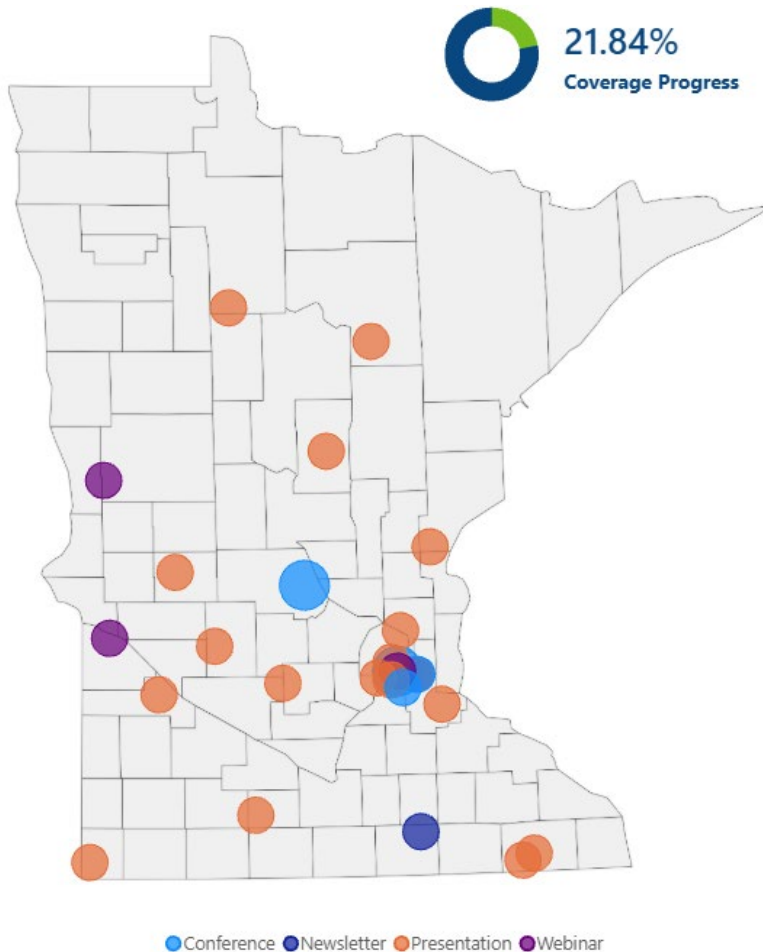


Click Rate
Industry Average:



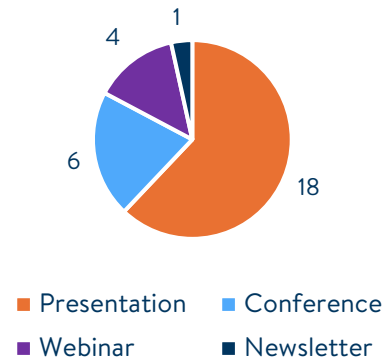
Community Outreach Highlights 1st QTR FY2027

Event Map



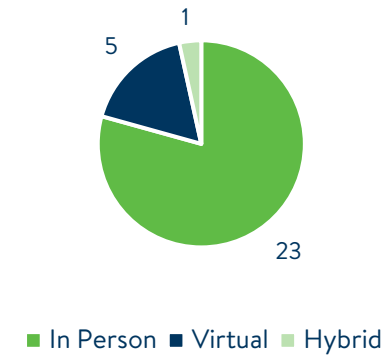
Events by Category

Scheduled + Completed



Events by Format

Scheduled + Completed



Total Attendees

For Events Completed

427

Total Events

Scheduled + Completed

29

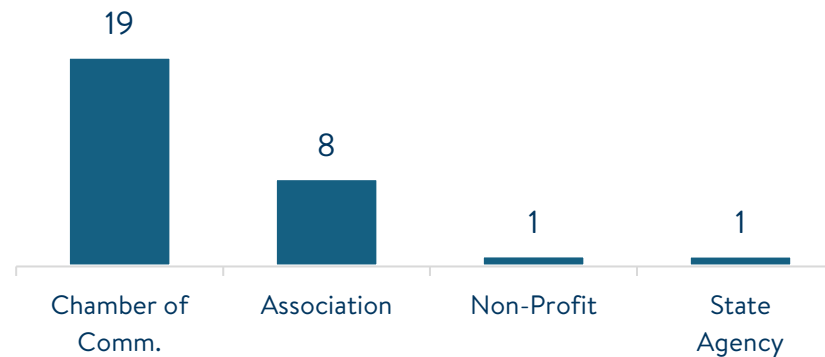
Cities Visited

Scheduled + Completed

24

Events by Org Type

Scheduled + Completed



Counties Visited

Scheduled + Completed

19/87

Mailing and Roadshow

MAILER PERFORMANCE TRACKER

Tracking estimated movement from mailed outreach by comparing mailing lists to employers taking action through 9/25/26.



W1 Not Registered
382 employers mailed

146
Out of 382
38.2%
Movement



W2 Not Registered + Onboarding
2011 employers mailed – Post Cards

205
Out of 2011
10.2%
Movement



W2 Not Registered + Onboarding
1806 employers mailed – Post Cards

52
Out of 1806
2.9%
Movement



W2 Not Registered + Onboarding
1754 employers mailed

257
Out of 1754
14.6%
Movement

ROADSHOW HIGHLIGHTS



Chamber of Commerce Presentations

Completed presentations to St. Paul, Luverne, Fergus Falls, and Bemidji. Scheduled presentations in Glenwood, Granite Falls, Ham Lake, Hutchinson, Hopkins, Cuyuna Lakes, Lanesboro, Preston, Grand Rapids, and Robbinsdale.



Conference Vendor Booths

Completed booths at National Tax Professionals Conference and MN Hospitality conference. Booth scheduled for Northstar Chapter Payroll Processors and MN Council of Non-Profits.



Professional Group Presentations

Completed presentation to Chapter of National Tax Professionals and presentations scheduled with Twin Cities SHRM Chapter and Upper MN Valley Regional Development Commission.



Social Media Outreach Highlights



LinkedIn Performance

Accounts reached: **6,116**

Spend: **\$822**

Average CTR
(All Campaigns)

0.97%

Average CPC
(All Campaigns)

\$9.03

Link Clicks to Landing
Page

85

Audience Growth

LinkedIn followers: **+15**

Facebook followers: **+57**

.5% -1% 

Industry Average
LinkedIn CTR:

Deadline-specific campaign yielded a higher CTR so going to focus on deadline-oriented ads moving forward

Average CTR
(All Campaigns)

4.05%

Average CPC
(All Campaigns)

\$0.15

Link Clicks to Landing
Page

9,466



Facebook Performance

Accounts reached: **245,170**

Spend: **\$3,792**

1.5% 

Industry Average
Facebook CTR:

Testing out ads for Chamber events. So far, they have lower CTRs but continuing to test until we can fully estimate ROI.

Translation & Website Accessibility

Improving access to program information across languages and digital experiences.

LANGUAGE ACCESS

Building a practical translation library for employers and savers

\$0

Cost for core-language materials through the ETO Office

12

Top languages identified via the Language Access Service Fund (LASF)

3

Core translations initially developed for FMS provider guidance

Certified program description

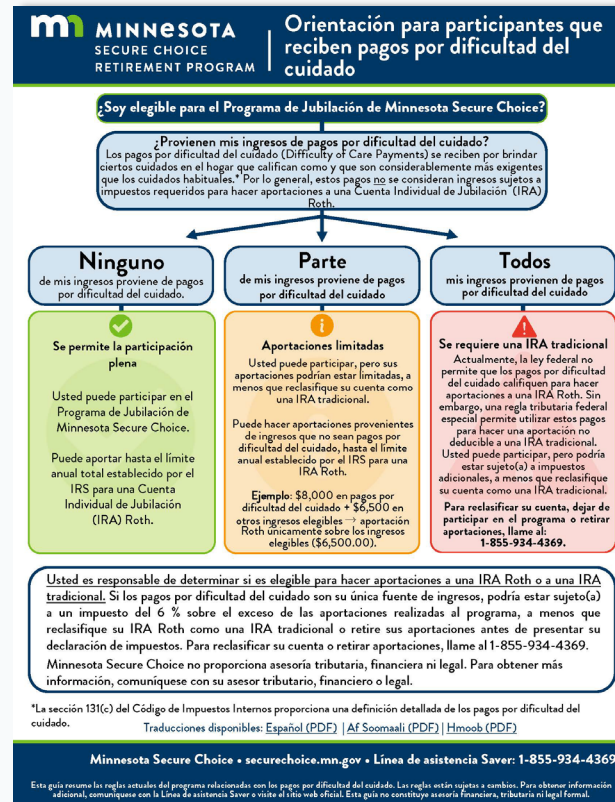
Working toward a certified translation that may qualify for reimbursement.

FMS provider guidance

Translated DOC guidance in Hmong, Somali and Spanish; materials were reviewed by FMS providers.

Next step

Continue expanding high-value materials based on language-access needs.



Example translated guidance

WEBSITE ACCESSIBILITY

WCAG 2.1 alignment and ongoing accessibility review

CURRENT SCORE

95.3%

Overall crawler score before link exceptions are resolved

Level A

94.9%

Level AA

97%

WAI-ARIA

100%

Best practices

92.4%

IN PROGRESS • MNIT accessibility review

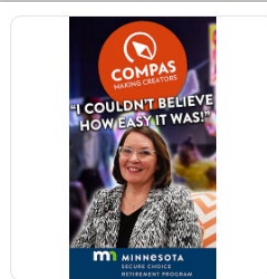
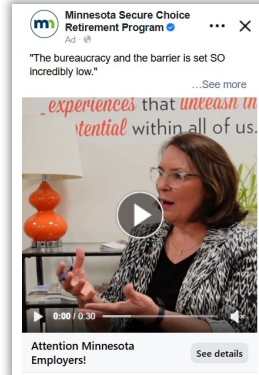
Accessibility note: The crawler score is currently reduced by Vestwell links that cannot be whitelisted; MNIT staff are reviewing items outside Board control.

Testimonials

Employer and employee stories are giving the program a human voice.

Employer Focused

Running ads using different cuts



Attention Minnesota Employers!
securechoice.mn.gov



Minnesota Secure Choice Retirement... Sponsored ***
"The bureaucracy and the barrier is set SO incredibly low."

Employee Focused

Running ads using different cuts



Future Highlights



One more organization has committed to a testimonial



Giving out Certificate of Appreciation to pilot program participants



Inviting employers in counties not participating to highlight their businesses through local media



Road shows highlight testimonial

CUSTOMER SERVICE UPDATE



Vestwell Call Center Performance Snapshot



Employee call volume increased significantly from June to July

Metric	Jun 2026	Jul 2026	Aug 2026	Insight
ASA (speed to answer)	0:29	0:37	0:46	Increasing steadily MOM
Abandonment Rate*	0.64%	0.00%	0.44%	Steady decrease MOM
SLA (<45 sec)*	84.1%	80.34%	72.91%	Continued decrease addressed with record keeper

Key Takeaways

- Call volume continuing to increase MOM with a large jump in July aligning with the Wave 1 deadline.
- Employer calls now make up significantly less of the call volume **(26%)**, down from **77%** in June.
- ASA has continued to increase MOM.
- SLA has continued to decline with average ASA falling just above the 45 sec goal.

Month	Calls Received	Calls Answered	Answer Rate
June	753	748	99.34%
July	1328	1328	100.0%
August	994	992	99.8%
Answer rate continue to stay strong MOM			

Month	Spanish Line Calls	Employer Calls	Employee Calls	Employer %
June	24	563	166	77.2%
July	70	472	786	37.5%
August	29	256	709	26.5%
Employer calls are down significantly as a total percentage of calls				

Vestwell Call Drivers & Operational Insights

Top Call Drivers - Employers (Jun-Aug)



Insight: Employer inquiries declined across all four top categories from June through August

Top Call Drivers - Employees (Jun-Aug)



Insight: Employee questions were heavily concentrated around opt-outs/account closures

Operational Insights



Employer Support Demand Declined

Employer call volume decreased substantially throughout the quarter, falling from 563 calls in June to 256 in August, as implementation activity and employer support needs tapered.



Employer Inquiries Shifted Toward Ongoing Account Support

Employer questions increasingly centered on account maintenance, program rules, and contribution support, while onboarding inquiries declined from 46 in June to 17 in August, reflecting a shift from initial implementation to ongoing program administration.



Employee Support Demand Remained Elevated

Employee call volume increased significantly compared with June, with 786 calls in July and 709 in August, reflecting increased interaction with the program as more employees established and managed their accounts.

SCRB Staff Provided Customer Support Snapshot

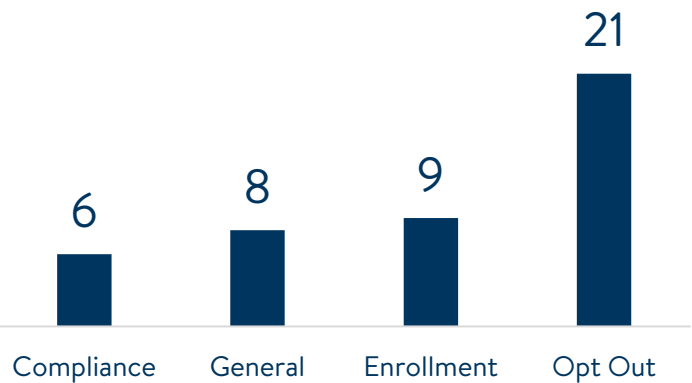


Metric	Jul 2026	Aug 2026	Sep 2026
Calls Answered	13	12	9
Emails Answered	10	2	9

Metric	Jul 2026	Aug 2026	Sep 2026
Average Response Time (Hours)	2.46	0.80	7.38
First Contact Resolution	90%	75%	100%

Top Contact Drivers

1st QTR FY2027 (phone & email)



Themes

Declining Contact Volume

Call and email volumes decreased steadily across the quarter, suggesting growing familiarity with program processes.

High Volume of Opt-Out Inquiries

An early communication from the FMS provider reached employees before their accounts were active in the system. As a result, employees sought assistance understanding their opt-out and enrollment options.

Increase in Response Time

Average response time rose in September due to several after-hours emails that were unable to be addressed until the following business day.

First Contact Resolution in August

First contact resolution dipped in August, driven by payroll integration questions that required additional coordination with Vestwell.

Memo

Date: September 28, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: FY2026 Finalized Budget Outcomes

Requested Board Action

Information Only

Summary

The Minnesota Secure Choice Board approved a total operating budget of \$839,000 for FY2026. This budget did not include the record keeping cost as it was not established at the time of the adoption of the budget. The approved record keeping cost per the contract with Vestwell was \$450,000 to be paid in FY2026. The contract with Vestwell included a discounted price of \$425,000 if the portal development and approval was completed by December 31, 2025. Based on the approved budget and the discount received for the early approval of the program portal, the total approved expenditures for the agency are not to exceed \$1,264,000 for FY2026.

Final budget numbers have been produced for the agency for the fiscal year ending June 30, 2026. The total FY2026 expenditure for the agency including the \$425,000 payment for recordkeeping services was \$971,965.42. Exclusive of the one-time payment to the record keeper, the agency expended \$546,965.42 for operations for FY2026. The agency finished the FY2026 budget year under the approved budget with \$292,034.58 in unexpended funds.

As of July 1, 2026, the agency has a cash balance of \$4,234,210.43. For FY2026 the agency generated \$182,085.73 in revenue from interest, assets under management fees, and account service fees.

Per Board policy, the executive director has the authority to reallocate categorization of approved funds based on budgetary and operational needs so long as those changes are reported to the Board on a quarterly basis. The executive director has worked with the SmART agency to better align the agency budget with fiscal reporting standards to reflect actual agency operations and budget categories. The below fiscal report captures those reallocations done during the 4th quarter of FY2026. The overall budget remains unchanged after those reallocations were made.

MN Secure Choice FY2026 Final Budget Report						
Expense Category	Original Budget	Adj Budget 4/1/26	Current Adj Budget	Expended	Remaining	Comments
FT Salary	\$ 489,000.00	\$ 435,000.00	\$ 430,000.00	\$ 287,800.69	\$ 142,199.31	Delayed addition of staff resulted in lower expenditure
PT Wages	\$ 36,000.00	\$ 77,000.00	\$ 67,000.00	\$ 61,313.09	\$ 5,686.91	Reduced to reflect reduced use of PT positions
Overtime		\$ 1,500.00	\$ 1,500.00	\$ 17.80	\$ 1,482.20	
Other Employee Cost		\$ 12,500.00	\$ 12,500.00	\$ 13,690.15	\$ (1,190.15)	ED Recruitment Travel and Relocation Costs
Space Rental and Utilities	\$ 28,000.00	\$ 40,000.00	\$ 29,600.00	\$ 20,172.60	\$ 9,427.40	Reduced due to delay in office relocation
Printing and Advertising		\$ 20,000.00	\$ 25,000.00	\$ 7,855.50	\$ 17,144.50	Increased for projected comms campaign spending
Prof Technical Services*	\$ 100,000.00	\$ 475,000.00	\$ 477,000.00	\$ 489,389.03	\$ (12,389.03)	Outside Legal Fees, Recod Keeper, Operational Consultant, Recruiter
Communications	\$ 10,000.00	\$ 2,000.00	\$ 12,000.00	\$ 351.00	\$ 11,649.00	Increased for mailings and postage spend projections; final invoices not reflected
In-State Travel		\$ 5,000.00	\$ 5,000.00	\$ 1,323.19	\$ 3,676.81	
Out of State Travel	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 1,670.87	\$ 829.13	
Employee Development	\$ 7,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,925.00	\$ (425.00)	Costs for training for new staff
State Agency Prof Services	\$ 54,000.00	\$ 55,000.00	\$ 55,400.00	\$ 55,400.00	\$ -	Increased to reflect cost of DEED data
Rate-Based IT Services	\$ 12,000.00	\$ 19,000.00	\$ 19,000.00	\$ 14,671.28	\$ 4,328.72	
Agency-Specific IT Services	\$ 70,000.00	\$ 5,000.00	\$ 5,000.00	\$ 375.50	\$ 4,624.50	
Supplies	\$ 3,000.00	\$ 4,000.00	\$ 12,000.00	\$ 9,119.11	\$ 2,880.89	Increased for promotional and presentation materials
Attorney General Costs		\$ 25,000.00	\$ 25,000.00	\$ 854.40	\$ 24,145.60	
Other Operating Costs	\$ 25,000.00	\$ 3,000.00	\$ 3,000.00	\$ 550.00	\$ 2,450.00	
Equipment - Non-Capital		\$ 80,000.00	\$ 80,000.00	\$ 4,486.21	\$ 75,513.79	Low spend result of delay in office relocation
Total*	\$ 839,000.00	\$ 1,264,000.00	\$ 1,264,000.00	\$ 971,965.42	\$ 292,034.58	
*Original Budget Did Not Include Recordkeeping Costs						