

Minnesota Secure Choice Retirement Program Board of Directors Meeting

Tuesday, July 14, 2026, 11:30AM

Itaska Conference Room

60 Empire Dr., St. Paul, MN

Agenda

- 1. Call to Order**
- 2. Introduction of new board members**
- 3. Introduction of new staff member**
- 4. Approval of April 17, 2026, Meeting Minutes - [Motion Needed]**
- 5. Program Governance (60 Minutes)**
 - a) Investment monitoring and performance – (Mr. Tucker, SBI)**
 - b) In-Home Care Worker Committee report and recommendation – (Chair Schurtz)**
 - c) Formation of standing committees – (Mr. Roberts)**
 - **Governance and Policy Review Committee – [Motion Needed]**
 - **Finance, Risk, and Audit Committee – [Motion Needed]**
 - d) Consideration of revised *Partnership for a Dignified Retirement* termination language – (Mr. Roberts) [Motion Needed]**
 - e) Agency office relocation update – (Mr. Roberts)**
- 6. Program Monitoring (30 Minutes)**
 - a) Record keeper operational update – (Vestwell Staff)**
 - b) Program performance update – (Mr. Roberts)**
 - c) Program communications update – (Mr. Walsh/Ms. Kuhl)**
 - d) Customer service update – (Mr. Roberts)**
 - e) Budget update – (Mr. Roberts)**
- 7. Adjournment**



Meeting Minutes: Board of Directors Meeting

Friday, April 17, 2026, 1:00 PM

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 Friday, April 17, 2026, at 1:00 p.m.

Board Members Present

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

Others Present

Chad Roberts, (SCRB) Executive Director; Savanna Givens, (SCRB) Executive Aid; James Walsh, (SCRB) Communications and Marketing Coordinator; Erik Hockert, AARP.

1. Call to Order

Chair Jill Schurtz called the meeting to order at 1:00 p.m.

2. Introduction of new Staff Member

Walsh introduced himself and provided a brief history of his experience. The board welcomed him and thanked him for taking on the new role.

3. Approval of January 13, 2026, Meeting Minutes

MOTION: Miley moved to approve the January 13, 2026, meeting minutes. Seconded by Goshert. Motion passed unanimously by roll call vote.

4. Program Governance

A. Discussion and consideration of establishing sub-committee on Program implementation for in-home care workers

Executive Director Roberts reported that since November, staff have been meeting with the Department of Human Services (DHS) and its contracted fiscal management service providers to better understand their operations and assess how to align and integrate them with the program in order to onboard this population. Throughout these discussions, a number of operational and policy questions have arisen, many of which staff have worked through. However, he noted that the remaining issues are more complex and would benefit from additional direction from the Board.

Director Roberts recommended that the Board establish a subcommittee to address these matters in a timely and focused manner, with the intent of bringing recommendations back to the full Board for consideration. Board Chair Shurtz expressed agreement with this recommendation.

MOTION: Leonard moved to establish a sub-committee for in-home care worker program implementation. Seconded by Goshert. Motion passed unanimously by roll call vote.

B. 2026 legislative session update

A legislative update was provided regarding the Secure Choice technical amendments bill, along with related provisions previously discussed by the Board. The bill, authored by Senator Pappas, was introduced to the Legislative Commission on Pensions and Retirement (LCPR) on the 24th, along with an author's amendment extending the onboarding timeline for in-home care workers from six months to twelve months to allow for more effective implementation.

The bill received bipartisan support within the committee and included bipartisan authorship on the Senate side. The Board and program also received positive feedback from members of the LCPR across both parties, particularly regarding the program's rollout, its overall approach, and the Board's consideration of employer impacts.

Representative Nadeau agreed to introduce the bill in the House, where it is co-authored by Representative Lilly. At the time the memo was drafted, the bill had not yet been introduced in the House; however, it has since been introduced. Both the Senate and House versions are currently awaiting state and local hearings in their respective chambers. At this time, the legislation continues to have bipartisan support, and no negative feedback has been reported. It was also noted that the program has received letters of support from AARP and from NFIB.

C. Discussion and Board direction regarding agency annual financial audit

A program and audit update were provided to the Board. It was reported that the program became operational on January 19 and will be included in the State's Annual Comprehensive Financial Report. A full audit will be required in 2027, when the program is fully operational. However, given that operations began during fiscal year 2026, it was recommended that an audit also be conducted for this fiscal year.

Because the financial audit will not be conducted by the Office of the Legislative Auditor, the program will need to retain an external audit firm. Staff will prepare and issue a Request for Proposals (RFP) to procure these services, with a recommendation to pursue a multi-year engagement. While specific costs are not yet known, it was noted that audit costs for the current fiscal year are expected to be relatively modest due to the program's early stage, limited funds, and minimal expenditures. Conducting an audit this year would not only provide transparency and external oversight but also serve as a preliminary exercise in advance of the required full audit in 2027.

The Executive Director formally recommended proceeding with a fiscal year 2026 audit and requested Board authorization to issue an RFP and retain an audit firm. Board members were invited to provide questions or comments.

Ms. Leonard expressed support for the recommendation, noting that it represents a cost-effective approach and a positive step forward. Additional clarification was provided that the engagement would not be limited to a single year. The selected auditor would apply Generally Accepted Accounting Principles (GAAP) and standard auditing practices, and the program's audit would ultimately be incorporated into the State's broader financial reporting. It was also noted that, consistent with standard procurement practices, the RFP would likely result in an initial two-year contract with options to extend for up to three additional years, allowing flexibility if adjustments are needed.

Board members indicated support for the recommendation, emphasizing its value in preparing for the 2027 required audit and reinforcing transparency and accountability as the program continues to be implemented.

MOTION: Ritter moved to authorize the Executive Director to proceed with an RFP to seek and retain an auditor to do a fiscal year 2026 audit. Seconded by Goshert. Motion passed unanimously by roll call vote.

D. Consideration and adoption of FY2027 Budget

A proposed budget for the upcoming fiscal year was presented, with a note that a year-to-date update for FY2026 would be provided later in the meeting. The budget format has been revised to better align with reporting practices used by partner state agencies, and revenue forecasting has been introduced now that the program is operational.

On the revenue side, the FY2026 interest revenue projection was reduced from \$210K to \$170K due to earlier-than-anticipated payments affecting reserves and lower-than-expected interest rates. For FY2027, interest revenue is projected at approximately \$155K based on Executive Budget Office assumptions. Additional revenue projections include asset-based fees and account service fees, using a conservative estimate of 10,000 accounts with an average balance of \$500, resulting in approximately \$2.5K in asset-based fee revenue and \$40K in account service fees. Overall, this reflects an anticipated increase of approximately \$27.5K in total revenue over the prior year.

On the expense side, full-time salary costs are estimated at \$735K to support five full-time positions, including the Executive Director, Executive Aide, Communications Specialist 3, Communications Specialist 1, and a proposed Program Compliance Specialist. The addition of the compliance role reflects the increasing need for oversight as the program becomes operational. An additional \$25K is allocated for part-time staffing, including current support roles and the potential addition of a student worker to assist with communications, marketing, and special projects.

Space rental and utilities are estimated at \$70K, based on a conservative projection pending final lease negotiations. Printing and advertising costs have been increased to support expanded outreach efforts, including social media, print materials, video production, and radio advertising. Professional and technical services show a decrease due to the completion of a major prior payment; however, this category includes potential audit costs and consulting support as needed.

Other operating categories include communications (postage and mailings), state travel for outreach and presentations, and a modest allocation for out-of-state travel to attend relevant conferences. Employee development funding is maintained to support both standard and specialized training needs. Ongoing costs for HR, fiscal services, and IT support are included, with slight increases reflecting staffing and system growth. Additional allocations are included for agency-specific IT needs, office supplies, legal services (as required under existing agreements), and miscellaneous operating expenses to account for uncertainties associated with establishing a new office.

Capital expenditures are anticipated for office setup, including furniture, with timing dependent on the office relocation. These costs may fall within the current or next fiscal year depending on procurement timelines.

The proposed budget is generally aligned with the current year's overall spending level, with the understanding that costs are temporarily elevated due to one-time expenses associated with agency relocation and initial setup.

An overview of the trust account balance was also provided. Based on current projections, the fund is expected to carry forward a balance of approximately \$4.2M at the end of the current fiscal year. If the proposed budget is fully expended, the balance would decrease to approximately \$3.1M, representing a net reduction of about \$1.07M. Long-term projections indicate that the trust account is expected to sustain program operations through 2031 and into 2032.

Finally, the importance of establishing a strong compliance function was emphasized. Compliance efforts will include oversight of employer participation, validation of vendor reporting, and ensuring internal adherence to policies and procedures. Policy development is currently underway, and it was noted that addressing compliance early in the program's implementation is more effective than retrofitting processes later. Plans are in place to move forward with procuring compliance support in the near term.

MOTION: Goshert moved to approve the adoption of the FY2027 Budget as presented. Seconded by Leonard. Motion passed unanimously by roll call vote.

5. Program Performance Monitoring

A. Program Update

A quarterly program update was provided, including results from the soft launch period and the initial phase of Wave 1 implementation. During the soft launch, regular updates were shared with the Board and a public-facing scorecard was introduced. The scorecard, developed by Ms. Givens, has received consistently positive feedback from both legislators and the public. Over the course of the voluntary soft launch period, 5,734 employees were registered. Notably, a significant portion of early adopters came from smaller employers in later implementation waves, many of whom are not required to comply until 2028. These employers have also represented a large share of ongoing payroll contributions, suggesting strong early interest in the program.

The employee opt-out rate during this period was reported at 14.9% as of the most recent data, and has remained below 19% throughout the launch. This aligns with comparable programs in other states and indicates that approximately 80–85% of enrolled employees are choosing to remain in the program. Total contributions during the soft launch period reached approximately \$115K, with contributions beginning in February following the initial waiting period.

An update on Wave 1 activity, covering the first 10 days through April 10, showed a significant increase in participation driven by large employers. During this period alone, 3,420 additional employees were registered. Individual large employers contributed substantially to this growth, with one employer enrolling approximately 1,200 employees. Despite the rapid increase in participation, opt-out numbers remained relatively low during this period, with 119 opt-outs recorded. Contributions also increased by an additional \$83K in these first 10 days, reflecting accelerating asset growth.

At the same time, smaller employers continued to represent a strong share of new participants, even during this phase of large employer onboarding. It was noted that some large employers participating in the program do not currently offer retirement benefits, which may be contributing to higher levels of employee enrollment.

A communications update followed, with recognition that initial outreach efforts had been delayed due to staffing constraints. Since onboarding key communications staff, including Mr. Walsh and Ms. Givens, outreach efforts have accelerated significantly. The pace and quality of communications rollout were noted as strong, and both staff members were commended for their work in quickly advancing these efforts.

It was noted that the program is leveraging an existing state email and newsletter platform, which, through data preparation efforts, now enables highly detailed audience segmentation. This allows for targeted communications tailored to specific employer and employee groups. The subscriber base currently exceeds 35,000 and continues to grow as more employees register, making it a highly effective direct communication tool.

An update on web presence was also provided. The program maintains two primary websites: a participant-facing portal managed by the recordkeeper and a Board-managed website. Plans are in place to further enhance the Board website, including upcoming training to improve internal management capabilities and continued progress toward meeting accessibility standards. Current accessibility performance is strong, with a score of 95/100 on monitoring tools.

Social media efforts are also expanding. LinkedIn has served as the primary platform to date and has shown steady growth. Additional platforms, including YouTube and other social channels, are in development, with further expansion planned as staffing capacity increases. The onboarding of an additional communications staff member at the end of April was highlighted as a key step in supporting these efforts. The new hire brings significant digital communications experience, which is expected to strengthen the program's outreach capabilities.

In addition to digital outreach, emphasis is being placed on in-person engagement through a "roadshow" approach. This includes presentations at conferences, chambers of commerce, and industry groups, with the goal of increasing awareness and building trust through direct interaction. Upcoming speaking engagements were noted, including events with a local chamber of commerce and a childcare workforce conference.

Direct mail campaigns were also discussed as a necessary complement to email outreach, particularly given incomplete email data for some employers. Early results from these campaigns have been strong, and further evaluation of return on investment is underway. Additionally, plans are in place to develop video testimonials from pilot program participants to support future communications and marketing efforts.

Detailed metrics were provided on email outreach performance. Initial campaigns significantly exceeded industry benchmarks, with open rates ranging from approximately 40% to nearly 60%, compared to typical averages near 20%. Click-through rates have also been strong, in some cases reaching double-digit percentages well above industry norms. Notably, there have been no unsubscribe requests across campaigns, indicating strong engagement and receptiveness to messaging. A recent targeted communication incorporating employer feedback achieved particularly high engagement, with approximately a 50% open rate and over 50% click-through rate.

A customer service update followed, including call center performance metrics for the first three months of program operations. Call volume has increased substantially as the program has rolled out,

while average handling times have remained stable. Speed to answer improved despite increased volume, and call abandonment rates declined significantly, indicating improved service responsiveness. These improvements were attributed in part to proactive staffing and training efforts by the program's service provider in anticipation of increased demand.

Call drivers were also reviewed. For employers, the most common inquiries relate to program rules, account setup, and exemptions. For employees, common topics include opt-outs, account maintenance, and withdrawals. It was noted that withdrawal-related inquiries remain relatively low, which is viewed as a positive indicator of participant confidence. Online access issues have also been minimal.

Internal customer service metrics show that call and email volumes initially increased but have since stabilized, with improved first-contact resolution rates as staff have gained familiarity with program operations. Common inquiries include exemptions, general program questions, and enrollment support. Complaint volumes have decreased over time, and feedback from stakeholders has highlighted the program's responsiveness and accessibility.

The importance of maintaining a high level of customer service and responsiveness was emphasized as a key factor in building trust with employers and participants. While some participation barriers remain, ongoing efforts are focused on minimizing friction and improving the user experience.

B. Budget Update

A quarterly budget update was also provided. Adjustments were made to align budget categories with operational and financial reporting requirements, including incorporating previously unbudgeted recordkeeping fees without increasing the overall budget. Several line items were revised based on updated projections and actual spending trends, including personnel costs, communications, travel, IT services, and professional services. To date, approximately \$707K has been expended, with the program currently operating significantly under budget. It is projected that the program will finish the fiscal year approximately \$300K under budget, depending in part on the timing of office relocation expenses. It was noted this budget, one approved, will be included in the report to MMB due at month end.

6. Adjournment

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

The meeting adjourned at 1:55 p.m.

Memo

Date: July 2, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Investment monitoring and performance presentation

Requested Board Action

Information Only

Summary

Minnesota State Board of Investment staff will present to the Board a report on the structure of the Minnesota Secure Choice Retirement Program investments and the performance of those investments.

Memo

Date: July 8, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: In-home Care Worker Committee Report and Recommendation

Board Action

Recommended Board Action:

Approve the recommendation of the Committee on In-Home Care Workers directing the Executive Director to implement the committee's recommended approach for community-based and in-home care workers receiving difficulty-of-care payments, as detailed in the committee recommendation section of the memo.

Purpose

The purpose of this memorandum is to summarize the work completed by the Board's Committee on In-Home Care Workers and to present the committee's recommendation for Board consideration regarding implementation of the Minnesota Secure Choice Retirement Program for workers receiving difficulty of care payments.

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.

Committee Review Process

Between May and June 2026, the committee met on three occasions to conduct a comprehensive review of the issue.

The committee received:

- A legal analysis from Ice Miller addressing ERISA, retirement program, and federal tax considerations.
- Operational and policy analysis from AKF Consulting.
- Implementation information from Vestwell regarding system capabilities and operational constraints.
- Information from Consumer Directions, representing the fiscal management service providers, regarding payroll administration.
- Comparative information regarding the approach being taken by the Connecticut Secure Choice Program.
- Additional information from the Minnesota Departments of Revenue and Human Services regarding the affected population and administration of difficulty of care payments. The committee also considered newly obtained information from the Minnesota Department of Revenue indicating that relatively few taxpayers report only difficulty of care payments as income. Aggregate tax filing data identified:

Tax Year	Approximate Number of Filers
2022	435
2023	316
2024	771
2025	937

This data suggests that while the overall in-home care workforce is substantial, the population whose only reportable income consists solely of difficulty of care payments represents a relatively small subset of the broader workforce.

During its final meeting on June 25, 2026, the committee also received additional information from the Minnesota Department of Human Services regarding the administration of difficulty of care payments, participant eligibility, and payment processes before deliberating on a recommendation to the Board. Following discussion, the committee unanimously approved its recommendation for presentation to the full Board.

Committee Recommendation

Following its review of the legal, operational, and policy considerations, the committee recommends that the Board authorize implementation of the Program for the in-home care worker population while recognizing the unique circumstances surrounding workers whose only reportable income consists of difficulty of care payments.

Specifically, the committee recommends that, upon receipt of a supporting legal opinion:

- Develop a targeted communications package for the in-home care worker population. The communication shall include written content and/or infographics that use plain language principles explaining:

- 1) that members of this population whose only reportable income is difficulty of care payments and who have no other source of reportable income are not eligible to participate in the default Roth IRA offered by the Program and must recharacterize their account to a Traditional IRA in order to participate in the Program. Alternatively, they may choose to opt out of the Program. If a member of this population does not either recharacterize from the default Roth IRA option to a Traditional IRA or opt out of the Program, the member is assuming responsibility for any tax consequences, and
- 2) members of the population who receive difficulty of care payments **and also** earn other reportable income may participate in the default Roth IRA the Program offers, provided they earn enough income from sources other than the difficulty of care payments to equal or exceed the total amount contributed annually to their MN Secure Choice Retirement Program Roth account.
 - Develop an operational approach to communicate applicable information to individuals of the in-home care worker population.
- Directed to make the program available to individuals in the in-home care worker population.

Staff Recommendation

Staff recommend that the Board adopt the recommendation of the Committee on Community-Based and In-Home Care Workers. The committee's recommendation balances statutory implementation requirements, available legal guidance, operational feasibility, participant education, and participant responsibility under existing federal tax law while allowing the Program to move forward with implementation for this important workforce.

Memo

Date: July 2, 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. 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 reflects governance best practices for public boards by enhancing 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.

Proposed Committee Structure

Finance, Risk, and Audit Committee

Purpose

To assist the Board in fulfilling its oversight responsibilities related to the Program's financial management, financial reporting, internal controls, audits, and risk management.

Membership

- Three Board members appointed by the Board Chair
- Committee Chair elected by a majority vote of the committee members
- Meets quarterly or as needed

Governance and Policy Review Committee**Purpose**

To assist the Board by reviewing governance practices, Board policies, organizational policies, and governance-related matters and providing recommendations to the full Board.

Membership

- Three Board members appointed by the Board Chair
- Committee Chair elected by a majority vote of the committee members
- Meets quarterly or as needed

Committee Governance

Both committees are intended to function as advisory committees of the Board.

Each committee will:

- Review matters within its assigned responsibilities.
- Receive reports from staff, consultants, and outside advisors.
- Monitor performance, compliance, and risks.
- Discuss issues in greater detail than is practical during regular Board meetings.
- Make recommendations to the full Board.

The full Board retains authority over all matters requiring Board approval, including adoption of policies, approval of budgets, contracts, financial statements, strategic direction, and other fiduciary responsibilities.

Recommendation

Staff recommend the Board establish the Finance, Risk, and Audit Committee and the Governance and Policy Review Committee and approve the attached committee charters. These committees will strengthen the Board's governance framework, improve oversight, facilitate more thorough review of complex matters, and promote efficient use of Board meeting time while ensuring that all final decision-making authority remains with the full Minnesota Secure Choice Retirement Board.

Attachment A

Finance, Risk, and Audit Committee Charter

Purpose

The Finance, Risk, and Audit Committee assists the Board by providing oversight of the Program's financial management, enterprise risk management, internal controls, compliance, and audit activities and making recommendations to the Board regarding financial and audit matters.

Responsibilities

The Committee shall:

- Review financial statements and recommend Board approval.
- Monitor budget performance and financial condition.
- Review audit plans, audit results, and management responses.
- Monitor internal controls and risk.
- Review compliance with applicable laws, regulations, and Board policies.
- Review financial, risk, and audit policies and recommend revisions.
- Monitor administrative fees and program expenses.
- Receive reports from management, consultants, and independent auditors.
- Make recommendations to the Board regarding financial, risk, and audit matters.
- Report Committee activities and recommendations to the Board.
- Review this Charter annually and recommend revisions.

Membership

- Three Board members appointed by the Board Chair.
- Committee Chair elected by a majority vote of the committee members
- Members serve until replaced or until their Board service ends.

Meetings

- Quarterly, or more frequently as needed.
- A majority of members constitutes a quorum.

Authority

The Committee serves in an advisory capacity only. Final authority for all financial, budgetary, audit, and fiduciary decisions remains with the full Board.

Attachment B

Governance and Policy Review Committee Charter

Purpose

The Governance and Policy Review Committee assists the Board by reviewing governance practices and Board and organizational policies and making recommendations to the Board.

Responsibilities

The Committee shall:

- Review Board governance practices.
- Review Board and organizational policies.
- Recommend new and revised policies to the Board.
- Monitor the Board's policy review schedule.
- Review committee structure and committee charters.
- Monitor Board education and governance best practices.
- Review Board ethics and conflict of interest policies.
- Oversee the Board self-evaluation process.
- Review governance-related risks and compliance matters.
- Report findings and recommendations to the Board.
- Review this Charter annually and recommend revisions.

Membership

- Three Board members appointed by the Board Chair.
- Committee Chair elected by a majority vote of the committee members
- Members serve until replaced or until their Board service ends.

Meetings

- Quarterly, or more frequently as needed.
- A majority of members constitutes a quorum.

Authority

The Committee serves solely in an advisory capacity. Final authority for governance matters, policy adoption, committee appointments, and all other Board actions remains with the full Board.

Memo

Date: July 2, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Proposed revision to Partnership for a Dignified Retirement interstate adherence agreement termination language

Board Action

Recommended Board Action

1. Review the proposed amendment to Article IV, Section 7 of the Interstate Adherence Agreement governing withdrawal from the Partnership for a Dignified Retirement (PDR).
2. Consider the legal opinions and staff analysis contained in this memorandum.
3. Authorize the Executive Director to vote on behalf of the Board regarding the proposed amendment consistent with the Board's direction.
4. Authorize the Executive Director to execute the amendment on behalf of the Board should the amendment satisfactorily resolve concerns of the Board and/or legal counsel.

Executive Summary

The Partnership for a Dignified Retirement (PDR) through the Lead State of Colorado has proposed amending Article IV, Section 7 of the Interstate Adherence Agreement (IAA), which governs the circumstances under which a participating state may withdraw from the partnership.

The current agreement contains a single paragraph addressing withdrawal. The proposed amendment replaces that language with a comprehensive framework establishing procedures for:

- voluntary withdrawal,
- withdrawal resulting from contractual default,
- withdrawal resulting from changes in law or court decisions, and
- transition planning designed to minimize disruption to participating states and program participants.

The proposal also introduces protections intended to preserve economies of scale by reducing the likelihood that withdrawal by one state would immediately increase participant fees for the remaining partner states.

Because this proposal materially changes the rights and obligations of participating states, staff requested legal review from the Minnesota Department of Administration's Office of State Procurement, consulted with Department of Administration legal counsel regarding potential fiscal implications, and sought review from the Minnesota Attorney General's Office.

Background

Minnesota participates in the Partnership for a Dignified Retirement through three interconnected agreements:

- the Interstate Adherence Agreement among participating states;
- the Colorado Master Services Agreement with Vestwell; and
- Minnesota's Partner State Agreement with Vestwell.

Together, these agreements allow participating states to jointly procure program administration services while maintaining independent retirement programs governed by each state's laws.

As additional states have joined the partnership and assets under management have increased, the partner states have discussed whether the current withdrawal language provides sufficient certainty for long-term program administration and financial planning.

Colorado subsequently proposed replacing the existing withdrawal language with a significantly more detailed framework intended to:

- provide orderly withdrawal procedures;
- protect participating savers;
- preserve negotiated fee breakpoints;
- reduce disruption to remaining partner states; and
- clearly define circumstances under which a state may withdraw from the partnership.

Existing Withdrawal Language

The current Interstate Adherence Agreement addresses withdrawal in a single paragraph.

The existing language provides:

7. Withdrawal from Agreement. *A State may only withdraw from this Agreement upon termination of its Partner State Agreement. A State that (a) fails to execute a Partner State Agreement in accordance with Section V.3 within ninety (90) days after full execution of a Master Services Agreement by the Lead State, or (b) terminates its Partner State Agreement with a Vendor shall be removed from the PDR. If the Lead State is removed from the PDR, the PDR shall appoint a new PDR Lead State, subject to approval of each authorized Vendor, and the removed PDR Lead State agrees to assign all Master Services Agreement(s) between Vendor(s) and the removed Lead State to the new Lead State.*

The current provision contains no requirements regarding:

- advance notice;
- mediation;
- transition planning;

- preservation of participant fees;
- financial obligations;
- withdrawal due to vendor default; or
- withdrawal resulting from changes in state law.

Proposed Amendment

The proposal completely replaces Article IV, Section 7 with three distinct withdrawal pathways.

A. Voluntary or State-Mandated Withdrawal

The amendment establishes a structured process requiring:

- a minimum twelve-month notice period;
- mediation if withdrawal results from disputes among partner states;
- preservation of the withdrawing state's participant accounts and data;
- committee review regarding impacts on participant fees;
- either delaying withdrawal or making a one-time payment if withdrawal would increase participant fees for remaining states; and
- transition under Section 5.15 of the Master Services Agreement.

B. Withdrawal Based Upon Default

The amendment creates an entirely new process allowing withdrawal when:

- the Lead State or Program Manager materially defaults under the Master Services Agreement;
- the default materially affects the withdrawing state's program; and
- the default is not cured within sixty days.

Under these circumstances, no payment would be owed by the withdrawing state.

C. Withdrawal Based Upon Statute or Court Decision

The amendment also allows withdrawal if a participating state loses legal authority to participate because of:

- enactment of superseding legislation; or
- a final decision of a court of competent jurisdiction.

Like default-based withdrawals, no payment obligation would apply.

Comparison of Existing and Proposed Language

Existing Agreement	Proposed Amendment	Practical Effect
Withdrawal tied solely to termination of Partner State Agreement	Three separate withdrawal pathways	Provides greater flexibility and certainty
No notice requirement	Minimum 12-month notice	Allows transition planning
No mediation	Good-faith mediation	Encourages dispute resolution

Existing Agreement	Proposed Amendment	Practical Effect
No fee protections	Protects fee breakpoints	Preserves participant pricing
No transition process	Detailed transition requirements	Reduces operational disruption
No default provisions	Withdrawal for uncured default	Protects participating states
No statutory withdrawal	Withdrawal permitted when required by law	Protects state sovereignty

Legal Review

Office of State Procurement

The Office of State Procurement reviewed the proposed amendment. OSP reviewers were involved in the initial procurement and Board process when the partnership option was chosen. OSP concluded that:

- the proposal constitutes an amendment to the Interstate Adherence Agreement;
- amendments require unanimous approval of all participating states;
- Minnesota retains the right to approve or reject the amendment;
- Minnesota must preserve its ability to fulfill its fiduciary obligations and comply with future statutory changes and expressed concerns that language imposing a waiting period of up to 30 months could inhibit the Program from acting swiftly if the Lead State's vendor relationships, investment policies or operational strategies materially diverge from Minnesota law or best practices; and
- existing governance provisions already provide substantial partnership stability without imposing rigid withdrawal constraints; and
- The revised language creates several practical concerns such as:

Vendor Risk Exposure

If vendor performance declines or legal issues arise, Minnesota must retain flexibility to exit within a timeframe that aligns with state law and risk mitigation practices.

Impact on State Budgeting Cycles

Minnesota's budgeting and legislative cycles may not align with a 30-month notice structure, potentially creating fiscal and statutory conflicts.

Potential Conflict with State Statutes

Minnesota's authority to participate in or withdraw from multi-state partnerships is generally determined by statutory mandate; an inflexible notice period may exceed that authority.

Imbalanced Burden on Larger Contributors

Minnesota is among the states projected to contribute the largest share of savers and

assets. The proposed change could disproportionately bind Minnesota compared to smaller states.

The OSP position on the revised language is that the SCRB cannot support the 30-month notice requirement in its current form. The basis for the position taken by OSP is grounded in:

- The Agreement's unanimous consent requirement for amendments
- The need to maintain State legal authority
- Fiduciary obligations to Minnesota Savers
- Practical operational considerations
- Protection of Minnesota's exposure based on its substantial participant base and financial contribution

OSP recommended that the SCRB should remain committed to collaborative governance and engage in discussions on alternative approaches.

Department of Administration Legal Counsel

Because the proposed amendment introduces a potential one-time payment if a voluntarily withdrawing state elects to preserve fee breakpoints rather than extend its withdrawal timeline, staff consulted with legal counsel for the Minnesota Department of Administration regarding whether this provision could create a present encumbrance against Minnesota Secure Choice appropriations.

Legal counsel advised that the proposed amendment does not create a current budgetary encumbrance or financial obligation upon execution.

Counsel concluded that a financial obligation would arise only if all of the following occur:

- Minnesota voluntarily elects to withdraw from the Partnership;
- the withdrawal would directly increase participant fees for the remaining states; and
- Minnesota affirmatively chooses to make the one-time payment instead of extending the withdrawal period as permitted under the amendment.

Accordingly, ADM legal counsel advised that the amendment creates only a contingent contractual option and does not constitute a present encumbrance of agency appropriations or budget authority.

Attorney General's Office

The Minnesota Attorney General's Office reviewed the proposed amendment and provided the following feedback:

- Agreed with the OSP that any amendments to the IAA must be unanimous among all partner states;
- Present language has ambiguity which can be of benefit if negotiating an exit became necessary;
- Revised language creates a more structured framework as opposed to the present language which provides very limited framework for an exit;
- Revised language requires use of "best efforts" to terminate at an opportune time but does not create an automatic prohibition;

- Language requires payment or additional time obligation, but is also conditioned on funding being available to meet those requirements creating avenue for exit if funding was not available; and
- Financial obligation could impact Minnesota disproportionately based on projected number of funded accounts and AUM compared to the size of smaller states in the existing partnership.

The Attorney General's Office comments recognized benefits to Minnesota as well as potential implications if the language revision is accepted.

Implications for Minnesota as a Major Participating State

Minnesota is anticipated to become one of the Partnership for a Dignified Retirement's largest participating programs based on projected employers, funded accounts, and assets under management. Consequently, the proposed amendment may affect Minnesota differently than states with smaller programs.

The amendment shifts a greater share of the practical consequences associated with voluntary withdrawal to states whose departure would materially affect partnership pricing and economies of scale.

If Minnesota were to withdraw from the Partnership after becoming one of its largest participating states, the proposed amendment makes it substantially more likely that:

- the withdrawal would be determined to increase participant fees for the remaining partner states;
- Minnesota would be asked to delay its withdrawal beyond the initial twelve-month notice period in order to preserve negotiated fee breakpoints; or
- Minnesota could elect to make the one-time payment described in the amendment rather than extend its participation.

Although these provisions are intended to protect the financial interests of the remaining partner states and their participants, they also reduce the practical flexibility available to larger participating states whose departure would have the greatest financial impact on the Partnership.

Considerations for Smaller Participating States

While the proposed amendment may impose greater withdrawal obligations on larger participating states, it may also provide important protections for smaller participating programs.

Many smaller states rely more heavily on the economies of scale created through the multi-state partnership than larger states. Because smaller programs generally have fewer participating employers, funded accounts, and assets under management, they may have greater difficulty obtaining comparable pricing if operating independently.

The proposed amendment therefore provides several potential advantages for smaller participating states by:

- discouraging the withdrawal of large participating states that significantly contribute to partnership scale;

- preserving negotiated fee breakpoints for at least the initial transition period following a large state's withdrawal;
- encouraging advance planning and orderly transitions; and
- reducing the likelihood of sudden participant fee increases resulting from an unexpected withdrawal.

At the same time, the amendment does not eliminate all short-term and long-term risks for smaller states. If a smaller state partner were to withdraw and their withdrawal did result in the reduction of total accounts to below a fee breakpoint, smaller states could be obligated to compensate the larger states a significant sum to offset that breakpoint reduction. Additionally, If one or more large participating states ultimately withdraw from the Partnership, smaller states could still experience higher participant fees following expiration of the transition protections unless sufficient assets and participant growth offset the loss of scale. Accordingly, while the amendment improves short-term stability, it does not permanently insulate smaller participating states from the long-term financial consequences of significant membership changes.

Advantages of the Proposed Amendment

Staff believes the proposal provides several significant improvements over the current agreement.

The amendment:

- establishes a predictable withdrawal process;
- protects participant fee stability;
- preserves negotiated economies of scale;
- creates formal transition procedures;
- recognizes withdrawal resulting from vendor default;
- recognizes withdrawal required by changes in law;
- protects participant accounts and state ownership of program data;
- aligns the Interstate Adherence Agreement more closely with the transition provisions already contained in the Master Services Agreement.

Potential Considerations

The amendment also introduces additional obligations not contained in the existing agreement.

These include:

- advance notice requirements;
- committee review;
- mediation;
- possible extension of withdrawal timing;
- possible one-time payment when voluntarily withdrawing.

These provisions strengthen partnership stability but reduce the flexibility currently available under the existing agreement.

Staff Analysis

The proposed amendment represents a substantial alteration of the Interstate Adherence Agreement. The current withdrawal provision consists of a single paragraph that provides little guidance regarding notice requirements, transition planning, financial responsibilities, or withdrawal resulting from contractual default or changes in law. The proposed amendment establishes a significantly more comprehensive governance framework addressing each of these issues.

From a partnership governance perspective, the amendment strengthens operational stability by encouraging advance planning, protecting participant assets, preserving negotiated fee structures, and creating clearly defined withdrawal procedures. These provisions potentially benefit the Partnership as a whole and provide greater predictability for participating states and program vendors.

However, the amendment also reallocates certain risks among participating states.

For larger participating states, including Minnesota, the proposal increases the practical costs associated with voluntary withdrawal because a large state's departure is more likely to affect participant fees and partnership pricing. As a result, larger states are considerably more likely to become subject to the amendment's delayed withdrawal or one-time payment provisions.

Conversely, smaller participating states may derive greater benefit from these provisions because they depend more heavily on the economies of scale generated by larger participants. The amendment therefore seeks to preserve partnership stability by discouraging withdrawals that could adversely affect remaining participants.

Staff also evaluated the fiscal implications of the proposed amendment. Following consultation with legal counsel for the Minnesota Department of Administration, staff concluded that approval of the amendment would not create a present encumbrance against agency appropriations. Any financial obligation would arise only if Minnesota voluntarily elected to withdraw from the Partnership and affirmatively chose to make the one-time payment permitted under the amendment rather than extending its withdrawal period. Accordingly, the amendment creates a contingent contractual option rather than an immediate financial obligation.

Finally, staff believes the comments provided by the Office of State Procurement and the Attorney General's Office should be carefully considered during the Board's deliberation.

Recommendation

Staff recommends that the Board review the proposed amendment considering the legal and policy considerations presented in this memorandum and provide direction to the Executive Director regarding Minnesota's position.

In considering the proposal, the Board may opt to weigh:

- the benefits of greater partnership stability and protection of participant fee structures;
- the increased procedural and potential financial obligations applicable to larger participating states;
- the protections afforded to smaller participating states through preservation of economies of scale;
- the legal observations of the Office of State Procurement and the Attorney General's Office; and

- the conclusion of Department of Administration legal counsel that the amendment does not create a present encumbrance of agency appropriations.

If the Board determines that the amendment appropriately balances these competing interests, it may authorize the Executive Director to support the amendment, while continuing to advocate for the clarifying revisions recommended by Minnesota legal counsel before final execution.

Appendix A

Current Article IV, Section 7

7. Withdrawal from Agreement. A State may only withdraw from this Agreement upon termination of its Partner State Agreement. A State that (a) fails to execute a Partner State Agreement in accordance with Section V.3 within ninety (90) days after full execution of a Master Services Agreement by the Lead State, or (b) terminates its Partner State Agreement with a Vendor shall be removed from the PDR. If the Lead State is removed from the PDR, the PDR shall appoint a new PDR Lead State, subject to approval of each authorized Vendor, and the removed PDR Lead State agrees to assign all Master Services Agreement(s) between Vendor(s) and the removed Lead State to the new Lead State.

Appendix B

Proposed Article IV, Section 7

7. Withdrawal from Agreement.

- 1) Voluntary or State-Mandated Withdrawal. Notwithstanding anything in this
- 2) Agreement to the contrary, a State may withdraw from the PDR for convenience subject to the following conditions:
- 3) To withdraw from the PDR a State must provide notice a minimum of 12 months before the anticipated date of withdrawal,
- 4) If such a withdrawal is prompted by a dispute between the withdrawing State and the Lead State or other members of the PDR the parties shall engage in good faith mediation pursuant to section VII.2 hereof. Such mediation efforts shall be undertaken expeditiously.
- 5) The accounts and Assets under Management and all related data attributable to the Withdrawing State shall remain the assets and responsibility of the Withdrawing State in accordance with the Master Services Agreement.
- 6) PDR will establish a Committee composed of the Lead State, the Withdrawing State and one other State to assess whether the proposed withdrawal from the PDR would directly result in an increase in the fees payable by Savers in the remaining States under Exhibit A of the Master Services Agreement. If the Committee determines that the proposed withdrawal from the PDR would directly result in an increase in fees, the Withdrawing State will either (i) use best efforts to withdraw at a time that does not directly cause an increase in fees but shall not exceed 18 months beyond the required 12 month notice period outlined in 7a or (ii) make a one-time payment to the remaining States in the PDR based on the assets under management in the Partnership as of the successful transition of Withdrawing State Accounts in accordance with Section 5.15 of the Master Services Agreement. The one-time payment will be equal to the estimated difference in the fees due to the Program Manager under Exhibit A of the Master Services Agreement resulting solely from the decreased amount of funded accounts and/or assets under management for the 12-month period following the successful transition of Accounts at the direction of the Withdrawing State. Any payment required under the terms of the preceding sentence will be made by the Withdrawing State upon the successful transition of Accounts, provided that the Program Manager and the Lead State agree in advance in

writing that in consideration of such payment the fees payable from the remaining States' automatic enrollment IRA programs will not be increased, and that no additional fees will be due from the Withdrawing State or the States remaining in the PDR as a result of the Transition. Any such payment shall be sent to the Lead State for the purpose of ensuring payment is applied towards retaining the benefits of all existing breakpoints, notwithstanding the failure to meet the requirements needed to obtain that breakpoint as a result of the Withdrawing State exiting the partnership.

- 7) The Withdrawal of the State shall be undertaken in accordance with Section 5.15 of the Master Service Agreement, but only for the accounts and data of the Withdrawing State.
- 8) Any amounts due to be paid to the Lead State pursuant to this Section 7 shall be payable from funds available in that Programs [operating][trust][enterprise] fund and any available appropriations.
- 9) Each Party's obligation to pay any amounts, perform any activities or provide any items under this Agreement is conditioned upon that Party's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow the Party, in the exercise of its reasonable administrative discretion, to meet its obligations under this Agreement.
- 10) Withdrawal Based on Default. Notwithstanding anything in this Agreement to the contrary, a State may withdraw from the PDR upon the occurrence of an event of default under the Master Services Agreement by the Program Manager or the Lead State that has, in the judgment of the Withdrawing State, a material adverse effect on the Withdrawing State's program, and if the default is subject to cure the Program Manager or the Lead State has failed to cure the default within sixty (60) days, subject to the following conditions
- 11) At the request of the Withdrawing State, the Lead State will terminate the Master Services Agreement with respect to the Withdrawing State subject to Section 5.36 of the Master Services Agreement regarding the survival of provisions following termination, including without limitation the Program Manager's obligations to effect a Transition pursuant to Section 5.15 of the Master Services Agreement.
- 12) The accounts and Assets under Management and all related data attributable to the Withdrawing State shall remain the assets, data, and accounts of the Withdrawing State in accordance with the Master Services Agreement.
- 13) In the event of a withdrawal of a State from the PDR due to an event of default by the Program Manager or Lead State under the Master Services Agreement, no payment by the Withdrawing

State to the Program Manager, the PDR, or the remaining States in the PDR will be due.

- 14) In the event that a withdrawal of a State from the PDR pursuant to Section 7.B. (a) occurs, and a Committee established by the PDR determines that the withdrawal would directly result in an increase in fees to Savers, the Lead State will work with the remaining States to protect the best interests of the Savers' in their respective programs which may include but not be limited to, re-negotiating or terminating the Master Services Agreement in its entirety.
- 15) Withdrawal Based on Statute or Court Decision
- 16) Notwithstanding anything in this Agreement to the contrary, a participating State may, subject to its obligations of good faith and fair dealing, withdraw from the PDR if it no longer has the legal authority to participate in the PDR due to the enactment of a superseding statute or the decision of a court of competent jurisdiction. At the request of the Withdrawing State, the Lead State will terminate the Master Services Agreement with respect to the Withdrawing State subject to Section 5.36 of the Master Services Agreement regarding the survival of provisions following termination, including without limitation the Program Manager's obligations to affect a Transition pursuant to Section 5.15 of the Master Services Agreement.
- 17) The accounts and Assets under Management and all related data attributable to the Withdrawing State shall remain the assets, data, and accounts of the Withdrawing State in accordance with the Master Services Agreement.
- 18) In the event of a withdrawal of a State from the PDR due to the enactment of a superseding statute or the decision of a court of competent jurisdiction, no payment by the Withdrawing State to the Program Manager, the PDR, or the remaining States in the PDR will be due.
- 19) In the event that a withdrawal of a State from the PDR pursuant to Section 7.B. (a) occurs, and a Committee established by the PDR determines that the withdrawal would directly result in an increase in fees, the Lead State will work with the remaining States to protect the best interests of the Saver's in their respective programs which may include but not be limited to, re-negotiating or terminating the Master Services Agreement in its entirety.

Memo

Date: July 2, 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 been prepared by state leasing and is under review by the property management company prior to final execution. Once the lease is signed, it is anticipated that the new office space will be available for move in by September 1, 2026. Due to delays beyond the control of the agency, MPCA has agreed to a lease extension of the present office space through August 31, 2026, with an option for a one-month extension if necessary.

Memo

Date: July 2, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: Record keeper operational update presentation

Requested Board Action

Information Only

Summary

Vestwell staff will present to the Board a report on record keeper operational changes, updates, and information security safeguards.

Memo

Date: July 6, 2026
To: MN Secure Choice Board of Directors
From: Chad Roberts, Executive Director
RE: FY2026 4th QTR Budget Update

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.

As of July 1, 2026, the total expenditure for the agency including the \$425,000 payment for recordkeeping services is \$932,970.21. Exclusive of the one-time payment to the record keeper, the agency has expended \$507,970.21 for FY2026. The agency is operating well under the approved budget with \$331,029.79 in unexpended funds for the fiscal year. The agency is currently projected to finish approximately \$300,000 under budget; final year-end numbers will not be available until after all year-end expenses are posted by SmART. Final FY2026 financial reports will be provided to the Board at the next board meeting.

As of July 1, 2026, the agency has a cash balance of \$4,254,318.25. YTD, the agency has generated \$174,612.30 in revenue from interest, assets under management fees, and account service fees. This revenue total does not reflect June 2026 interest or 4th QTR FY2026 account and AUM fees which are not yet available.

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 Budget Report as of July 1, 2026						
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	\$ 265,633.35	\$ 164,366.65	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	\$ 2,733.70	\$ 22,266.30	Increased for projected comms campaign spending
Prof Technical Services*	\$ 100,000.00	\$ 475,000.00	\$ 477,000.00	\$ 485,896.53	\$ (8,896.53)	Outside Legal Fees, Recod Keeper, Operational Consultant, Recruiter
Communications	\$ 10,000.00	\$ 2,000.00	\$ 12,000.00	\$ 50.00	\$ 11,950.00	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	\$ 1,450.00	\$ 1,050.00	
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	\$ 12,230.67	\$ 6,769.33	Does not reflect June '26 MNIT invoices
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	\$ 5,656.15	\$ 6,343.85	Increased for promotional and presentation materials
Attorney General Costs		\$ 25,000.00	\$ 25,000.00	\$ 320.40	\$ 24,679.60	Allocation for outside legal fees reflected in this line
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	\$932,970.21	\$331,029.79	
*Original Budget Did Not Include Recordkeeping Costs						



SCRB Board Meeting

July 14, 2026



Agenda

1. Call to Order
2. Introduction of New Board Members
3. Introduction of New Staff Member
4. Approval of Apr 17, 2026, Meeting Minutes
5. Program Governance
 - a. Investment Monitoring & Performance
 - b. In-Home Care Worker Committee Report and Recommendation
 - c. Formation of Standing Committees
 1. Governance and Policy Review Committee
 2. Finance, Risk, and Audit Committee
 - d. Consideration of revised *Partnership for a Dignified Retirement* Termination Language
 - e. Agency Office Relocation Update
6. Program Monitoring
 - a. Record Keeper Operational Update
 - b. Program Performance Update
 - c. Program Communications Update
 - d. Customer Service Update
 - e. Budget Update
7. Adjournment



NEW BOARD MEMBERS INTRODUCTION

NEW STAFF MEMBER INTRODUCTION



JAN MTG MINUTES

APPROVAL



PROGRAM GOVERNANCE

INVESTMENT MONITORING & PERFORMANCE





Minnesota Secure Choice Retirement Program
Board Meeting
July 14, 2026

60 Empire Drive | Suite 100 | St. Paul, MN 55103 | 651-296-3328 | <http://mn.gov/sbi/>

State Board of Investment (SBI) Governance



The Board was established in Article XI
of the Minnesota Constitution

141 years in operation

Constitutional Members of the State Board

- Governor Tim Walz
- State Auditor Julie Blaha
- Secretary of State Steve Simon
- Attorney General Keith Ellison

Investment Advisory Committee Members

- 10 Investment professionals
- 3 Executive directors of statewide retirement plans
- 1 Commissioner of Minnesota Management & Budget
- 3 Appointed members by the governor:
two active members and one retired member

9

Total SBI Staff

51

Internal Investment Committee (IIC) Members

IIC Member	Title	Industry Experience
Jill Schurtz	Executive Director and CIO	40 years of relevant multi-disciplinary experience, including leadership, legal, and investment
Andy Christensen	Deputy Executive Director	31 years of investment industry experience 27 years of institutional investment experience
Erol Sonderegger	Deputy CIO	31 years of investment industry experience 25 years of institutional investment experience
Andrew Krech	Deputy Director, Head of Active Strategies	21 years of investment industry experience 13 years of institutional investment experience
Cassie Boll	Co-Director Private Markets	23 years of investment industry experience 12 years of institutional investment experience

Our Mission is our North Star



The primary mission of the SBI is to provide investment returns to support its stakeholders' needs and to be good stewards of the assets under its management.

State-Sponsored Savings Plans

Encourage and assist individuals and families to save for higher education and eligible disability expenses in the respective tax-advantaged state-sponsored plans.

- MN College Savings Plan (106,000 accounts)
- MN ABLE Plan (4,500 accounts).
- **MN Secure Choice (launched Jan 2026)**

Participant-Directed Plans

A diversified, low-cost, efficient investment menu for individuals who select their own investment options.

- PERA DC Plan (8,056 members)
- Unclassified Retire. Plan (3,583 members)
- Deferred Comp. Plan (102,848 investors)
- Health Care Savings Plan (169,594 investors)
- Henn County Supp. Retire. (1,000 members)

Non-Retirement Funds

Broad asset class options that benefit from low institutional investment management fees.

- Trust Accounts (20)
- Other Post-Employment Benefit Plans (22)
- Qualified Cities and Counties (4).

Volunteer Fire Relief Plans

Almost 400 Volunteer Fire Reliefs benefit from investing in the same asset class pools with the defined benefit assets.

- 288 Fire Reliefs in Statewide Volunteer Retirement Plan
- 144 Fire Reliefs invest across eligible options

Defined Benefit Assets

Retirement security of over 840,000 Minnesota public employees and their families in the defined benefit plan. These are members of TRA, PERA, and MSRS.

Invested Treasurer's State Cash Pool

Invest the assets of more than 400 state agencies with the objective of preserving capital, meeting state agency liquidity needs, and providing competitive returns.

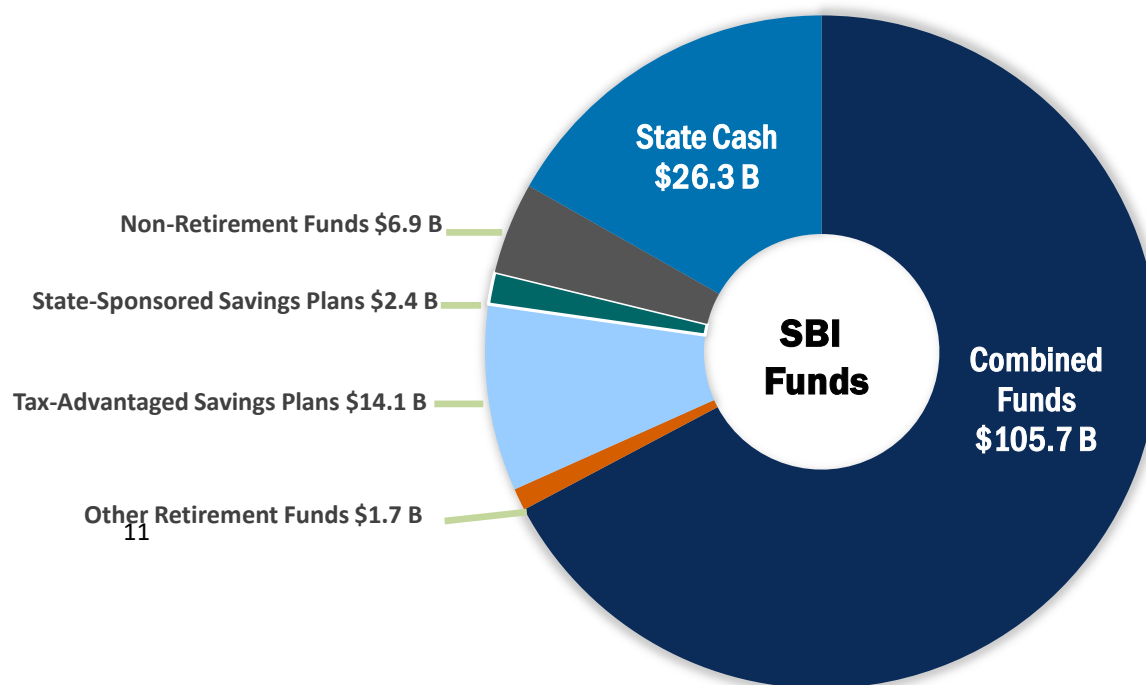
Data as of June 30, 2025

SBI Funds Under Management – Total Assets

As of March 31, 2026 (In \$ Billions)



- Total assets under management as of March 31, 2026: **\$157.1 billion**
- Assets include retirement plans, trust accounts, and state cash accounts



- Non-Retirement Funds include State Trust Funds, Other Post Employment Benefits Accounts (OPEB), and Qualifying Governmental Entities.
- State-Sponsored Savings Plans include Minnesota College Savings Plan, the Minnesota Achieving a Better Life Experience (ABLE) Plan, and the Minnesota Secure Choice Plan.
- Tax-Advantaged Savings Plans include Health Care Savings Plan, Hennepin County Supplemental Retirement Plan, and State Deferred Compensation Plan
- Other Retirement Funds include the PERA Defined Contribution Plan, Statewide Volunteer Firefighter Plan, Unclassified Employees Retirement Plan, and Volunteer Fire Relief Associations.

Minnesota Secure Choice Retirement Program

State Board of Investment Role



Legislature

**Minnesota Secure
Choice Retirement
Program Established
MN Statutes,
Chapter 187**

**Legislative
Commission on
Pensions and
Retirement (LCPR)**

**Secure Choice
Retirement
Program**

**Board of
Directors**

**Executive
Director**

Staff

**State Board of
Investment**

**Selects
Investment
options**

**Investment
Oversight**

SBI Investment Menu Design Philosophy



Simplicity and Accessibility

- Offer clear, easy-to-understand range of investment options.
- Support savers with different levels of return objectives.
- Provide a diversified default option for those who prefer not to choose.

Diversification and Risk Considerations

- Offer broad asset class investment choices.
- Include a target-date option that automatically adjust the saver's allocation over time.
- Support savers with varying levels of risk tolerance.

Affordability

- Offer competitively priced investment options.
- Access to institutional share classes.
- Keep investment management fees low so that more money stays invested.

Institutional Management

- Offer investment options managed by reputable investment firms with an attractive long-term track record.
- Access to highly skilled portfolio managers, risk managers, and analysts.
- Provides research capabilities and trading infrastructure.

Investment Objective: Provide savers with access to simple, affordable, and effective retirement savings options.

Minnesota Secure Choice Retirement Program

Review of Program Options



Investment Menu Recommendation Determined by:

1. Selection of Program Structure:

Stand-Alone Plan vs Partnership (Alliance)

- Partnership provides operational efficiencies and starts with a larger asset base to benefit from lower administrative fees. Effective investment line-ups across these structures.

2. Selection of Partnership State:

Partnership for a Dignified Retirement Plan

- Known management and strategy in the default option, Target Date Fund, which is the same institutional manager (SSIM) that invests the MN Target Retirement Fund.
- Also offers four broad passively managed stand-alone options for investors to create their own portfolio.

Investment Items	Stand-Alone (MN)	Partnership (Alliance States)
Service Provider	Ascensus or Vestwell	Vestwell
Investment Philosophy	MN	Alliance
Investment Governance	MN	Alliance
Investment Policy Statement	MN	Alliance
Investment Menu Design	MN	Alliance
Annual Investment Review	MN with Service Provider	Alliance, Service Provider, and Consultant
Model Allocation Management (if applicable)	MN	Investment Advisor/Consultant with Alliance Approval
Investment Fee Factors	SBI Relationship Pricing	Alliance AUM
Performance Reporting	Service Provider	Service Provider and Investment Consultant

Minnesota Secure Choice Retirement Program

Investment Options and AUM as of May 31, 2026



Minnesota Secure Choice Program						
	Asset Class	Investment Manager	Benchmark	Investment Manager Expense Ratio	AUM (5/31/2026)	% Plan AUM
Target Retirement						81%
Target Retirement Date Option	Asset Allocation	State Street Investment Management	State Street Composite Index	0.09%	\$916,051	
Broad Asset Class						1%
U.S. Equity Option	Domestic Equity	iShares / BlackRock	Russell 3000 Index	0.02%	\$9,573	
International Equity Option	International Equity	iShares / BlackRock	MSCI ACWI ex US Index	0.09%	\$2,452	
Bond Index Option	Fixed Income	15 State Street Investment Management	Bloomberg US Aggregate Bond Index	0.025%	\$83	
Capital Preservation						18%
Capital Preservation Option	Money Market	State Street Investment Management	ICE BofA US 3-Month Treasury Bill	0.11%	\$204,414	
Total Investment Assets					\$1,132,574	100%

Minnesota Secure Choice Retirement Program

Investment Performance as of 3/31/2026



<u>Fund Name</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>Option Since</u>
State Street Target Retirement Fund	0.56	0.56	9.95	8.27	11/15/22
State Street Target Retirement Composite Index	0.25	0.25	9.96	8.24	
Variance	0.31	0.31	(0.01)	0.03	
State Street Target Retirement 2025 Fund	0.27	0.27	12.00	9.93	11/15/22
State Street Target Retirement Composite Index	(0.04)	(0.04)	11.99	9.98	
Variance	0.31	0.31	0.01	(0.05)	
State Street Target Retirement 2030 Fund	(0.76)	(0.76)	14.13	11.32	11/15/22
State Street Target Retirement Composite Index	(1.20)	(1.20)	14.00	11.39	
Variance	0.44	0.44	0.13	(0.07)	
State Street Target Retirement 2035 Fund	(1.16)	(1.16)	15.96	12.21	11/15/22
State Street Target Retirement Composite Index	(1.75)	(1.75)	15.67	12.26	
Variance	0.59	0.59	0.29	(0.05)	
State Street Target Retirement 2040 Fund	(1.30)	(1.30)	17.25	12.98	11/15/22
State Street Target Retirement Composite Index	(1.92)	(1.92)	16.93	13.03	
Variance	0.62	0.62	0.32	(0.05)	
State Street Target Retirement 2045 Fund	(1.36)	(1.36)	18.37	13.67	11/15/22
State Street Target Retirement Composite Index	(2.02)	(2.02)	17.98	13.67	
Variance	0.66	0.66	0.39	0.00	
State Street Target Retirement 2050 Fund	(1.39)	(1.39)	19.32	14.26	11/15/22
State Street Target Retirement Composite Index	(2.10)	(2.10)	18.91	14.27	
Variance	0.71	0.71	0.41	(0.01)	
State Street Target Retirement 2055 Fund	(1.39)	(1.39)	19.74	14.45	11/15/22
State Street Target Retirement Composite Index	(2.14)	(2.14)	19.34	14.43	
Variance	0.75	0.75	0.40	0.02	

16

All performance figures and market data presented are unaudited and preliminary. Investment option performance was received from Vestwell and BNY. Performance reflects the deduction of investment management fees, program management expenses, and state Administrative fees. Performance greater than one year is annualized. Past performance does not guarantee future results. Option since date represents when the option was added to the Partnership for Dignified Retirement Program. MN launched in January of 2026.

Minnesota Secure Choice Retirement Program

Investment Performance as of 3/31/2026



<u>Fund Name</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>Option Since</u>
State Street Target Retirement 2060 Fund	(1.37)	(1.37)	19.78	14.46	11/15/22
State Street Target Retirement Composite Index	(2.14)	(2.14)	19.34	14.43	
Variance	0.77	0.77	0.44	0.03	
State Street Target Retirement 2065 Fund	(1.39)	(1.39)	19.71	14.39	11/15/22
State Street Target Retirement Composite Index	(2.14)	(2.14)	19.34	14.43	
Variance	0.75	0.75	0.37	(0.04)	
State Street Target Retirement 2070 Fund	(1.45)	(1.45)	19.65		11/15/22
State Street Target Retirement Composite Index	(2.14)	(2.14)	19.34		
Variance	0.69	0.69	0.31		
iShares Total U.S. Stock Market Index Fund	(4.00)	(4.00)	17.94		03/01/25
Russell 3000 Index	(3.96)	(3.96)	18.09		
Variance	(0.04)	(0.04)	(0.15)		
iShares MSCI Total International Index Fund	1.64	1.64	26.68	14.96	11/15/22
MSCI ACWI ex U.S. Index	(0.71)	(0.71)	24.91	14.49	
Variance	2.35	2.35	1.77	0.47	
State Street Aggregate Bond Index Fund	(0.02)	(0.02)	4.12	3.40	11/15/22
Bloomberg U.S. Aggregate Bond Index	(0.05)	(0.05)	4.35	3.63	
Variance	0.03	0.03	(0.23)	(0.23)	
State Street Institutional U.S. Government Money Market Fund	0.85	0.85	3.88	4.54	11/15/22
ICE BofA US 3-Month Treasury Bill	0.85	0.85	4.00	4.74	
Variance	0.00	0.00	(0.12)	(0.20)	

17

All performance figures and market data presented are unaudited and preliminary. Investment option performance was received from Vestwell and BNY. Performance reflects the deduction of investment management fees, program management expenses, and state Administrative fees. Performance greater than one year is annualized. Past performance does not guarantee future results. Option since date represents when the option was added to the Partnership for Dignified Retirement Program. MN launched in January of 2026.



Disclaimer

Investing in funds or securities involves risk, including possible loss of principal.

- All figures, results and opinions expressed herein are for informational purposes only and do not constitute investment advice.
- Any historical returns or return expectations are not representative of future returns. Past performance does not guarantee future results.
- While the models utilized to produce this report are believed to be accurate, both the inputs and outputs subject to error and should not be relied upon as the basis for any investment decision.
- All data provided are current as of the date listed and are subject to change without notice.



IN-HOME CARE WORKER COMMITTEE REPORT & RECOMMENDATION

FORMATION OF STANDING COMMITTEES

Proposed Standing Committees Structure and Charters



Finance, Audit, and Risk

COMPOSITION

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

CHARTER

- Monitor budget performance and financial condition
- Review financial statements and recommend Board approval
- Review audit plans, results, and management responses
- Monitor internal controls and financial risk
- Review compliance with applicable laws and Board policies
- Monitor fraud prevention and financial reporting processes
- Review significant financial policies and recommend changes
- Review administrative fees and program expenses
- Receive reports from management and independent auditors
- Make recommendations to the Board on financial and audit matters
- Report Committee activities and findings to the Board
- Review the Committee Charter annually and recommend revisions



Governance & Policy Review

COMPOSITION

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

CHARTER

- Review Board governance practices
- Review Board and organizational policies
- Recommend new and revised policies to the Board
- Monitor the Board's policy review schedule
- Review committee structure and committee charters
- Monitor Board education and governance best practices
- Review Board ethics and conflict of interest policies
- Oversee the Board self-evaluation process
- Review governance-related risks and compliance matters
- Report findings and recommendations to the Board
- Review the Committee Charter annually and recommend revisions



CONSIDERATION OF REVISED PARTNERSHIP FOR A DIGNIFIED RETIREMENT TERMINATION LANGUAGE

AGENCY OFFICE RELOCATION UPDATE

PROGRAM MONITORING

RECORD KEEPER OPERATIONAL UPDATE

Minnesota Secure Choice Board Meeting

m MINNESOTA
SECURE CHOICE
RETIREMENT PROGRAM



July 14, 2026

Vestwell

2026 Program Activity

Employer Wave 1 Rollout & Outreach (June 30, 2026 Deadline)

- Wave 1 consists of 1,934 employers with 100+ employees
- 3 pre-deadline communications and 1 post-deadline communication sent, 1 post-deadline communication remaining
- Wave 2 (employers with 50–99 employees) notices will begin in October with a December 31, 2026 deadline

Payroll Webinars & Employer Emails

- Vestwell hosts a payroll webinar 2–3 times a month for employers to learn how to submit contributions and ask any questions
- We continue to send targeted emails to registered employers in a few instances:
 - Reminder emails to submit contributions
 - Reminder emails to add new employees (for those who haven't added employees in the last 90 days)

Program Updates

Payroll Integrations: Paychex 360 API

- Last month, we launched the 360 API integration with Paychex
- Newly registered employers can connect to it when registering for the program
- We will notify previously registered employers who use Paychex about the integration later this summer

Data & Reporting

- We have worked to provide additional reports to the Program team so they can better track employer and employee activity

Home Care/Personal Care Workers

- Our team has supported FMS provider registrations through 1:1 onboarding sessions

Call Center Overview

Expanded Call Center Staffing

- Over the last six months, we expanded call center operations by hiring additional representatives. New classes have begun taking calls and are integrated into existing teams.

Second Call Center Location

- In addition to our King of Prussia location, we plan to open a new call center in Arizona later this summer
- This new location will provide additional coverage across time zones and during peak hours

Enhanced Saver Call Experience

- Broadened the automated assistant savers already interact with to answer basic program questions (e.g., program info, account setup) before connecting to a representative, with a rep always available if preferred

Back-End Operations Transition to AWS

- Transitioned back-end operations of the call center to Amazon Web Services in April
- Provides an enhanced experience for employers and savers who call in, via a more seamless back-end operation

Fraud Prevention & Detection

We use a robust set of proprietary data, tools and processes to monitor, investigate and report suspicious activity that receives constant evaluation from multiple committees.

Tools



- Mandatory multi-factor authentication (MFA)
- Trusted vendor usage to streamline Know Your Customer (KYC), enhance document reviews, and perform real-time fraud checks
- Automated economic sanctions/Office of Foreign Assets Control (OFAC) screening
- Proprietary scoring and reporting system used for monitoring red flags and mandatory reviews

Process

- Dedicated teams
 - Financial Crimes Compliance
 - Risk Committees
- Escalations tracked in accordance with the Incident Response Policy
- Mandatory training company wide and directly with front-line employees (Call Center, Operations)
- Escalating potential fraudulent/suspicious activity to the Client through Client Escalations in specific situations & regular reports

Thank you

About Vestwell Holdings Inc.

This presentation does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation of any security or any other product or service by Vestwell Holdings Inc. or any of its subsidiaries, affiliates, or other third party. Neither Vestwell nor any of its subsidiaries or affiliates make any representations regarding the appropriateness or suitability of any securities, products, or services discussed on our website and we do not provide legal, tax, financial, or investment advice to any individual. Vestwell's wholly owned subsidiary, Vestwell State Savings, LLC, is a service provider to certain state savings programs. Any information on our website or in any reports or presentations is provided for general education purposes only. Certain content may also be confidential and proprietary. Any link from this presentation to a third party website, including any link to a website of any state savings program, is not an endorsement or recommendation of such program or of investment in such program, nor is it a statement or opinion as to the accuracy or completeness of any information provided on such third-party website. All investments involve risk, including the loss of principal, market fluctuations, liquidity and interest rate risks, domestic and international risks, and inflation-related risks among others. Individual investors are solely responsible for determining whether any investment, investment strategy, security or related transaction is appropriate for them based on their personal investment objectives, financial circumstances and risk tolerance. Individuals should consult their business advisor, attorney, or tax and accounting advisor regarding their specific business, legal or tax situation, and should review the offering document or other disclosure provided by any applicable program or issuer of any security before deciding whether to make an investment.



Vestwell

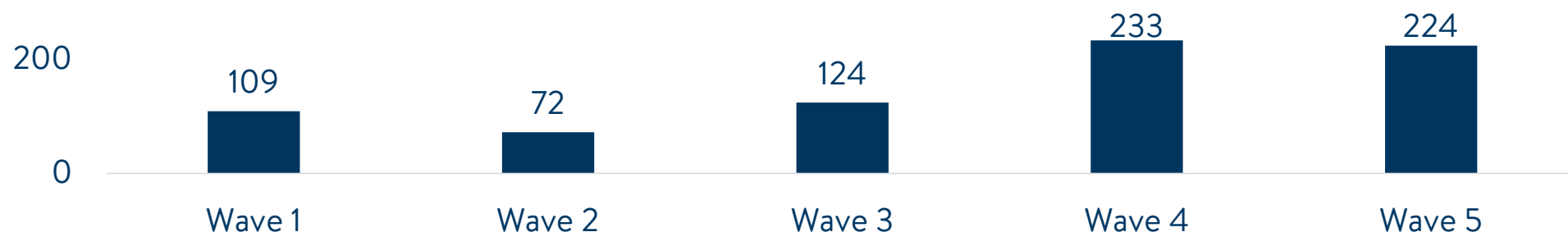


PROGRAM PERFORMANCE UPDATE

Activity During 2nd QTR

(Apr 1 – Jun 30)

Employers Enrolled by Wave



Total Employees Registered

32,251

Total Opt-Outs

6,892

Total Contributions

\$1,387,014

Wave 1 Performance

(Apr 1 – Jun 30)

76.5%
Compliance
Rate

Total W1 Registered Employees

29,039

Total W1 Funded Accounts

3,085

Total Invited

1,937

Total Exempted

1,307

Total Registered

174

Total Not Registered

411

Total Onboarding

45

Overall Program Performance

CY26 QTR1 to CY26 QTR2 Comparison



Total Invited Employers

4/1/2026 7/1/2026
43,520 43,688

↑ **0.39%**

Q1 to Q2 Change



Total Onboarding Employers

4/1/2026 7/1/2026
750 867

↑ **15.60%**

Q1 to Q2 Change



Total Registered Employers

4/1/2026 7/1/2026
497 878

↑ **76.66%**

Q1 to Q2 Change



Total Exempt Employers

4/1/2026 7/1/2026
4,417 6,487

↑ **46.86%**

Q1 to Q2 Change



Total Registered Employees

4/1/2026 7/1/2026
8,511 43,154

↑ **407.04%**

Q1 to Q2 Change



Employee 30-day Opt Out Rate

4/1/2026 7/1/2026
19.80% 13.08%

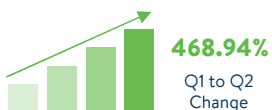
↓ **-33.94%**

Q1 to Q2 Change



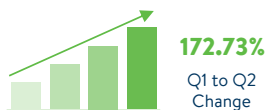
Total Funded Accounts

4/1/2026 7/1/2026
1,172 6,668



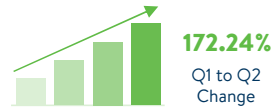
Employers Actively Submitting Payroll

4/1/2026 7/1/2026
132 360



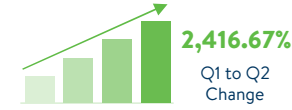
Average Account Balance

4/1/2026 7/1/2026
\$97.85 \$232.14



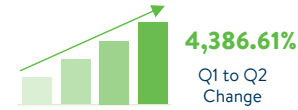
Total Number of Withdrawn Accts

4/1/2026 7/1/2026
6 151



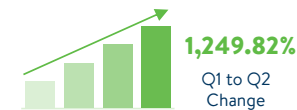
Total Amount of Withdrawals

4/1/2026 7/1/2026
\$754.59 \$33,855.52



Total AUM

4/1/2026 7/1/2026
\$114,676.77 \$1,547,930.81



Employer & Employee Metrics

Engagement and participation overview



Financial & Account Metrics

Account activity and financial performance

PROGRAM COMMUNICATIONS UPDATE

Granicus Communication Metrics

(Apr 1 – Jul 1)

Date	Target	Audience Size	Open Rate	Click Rate	Message
4/23	Wave 1	658	38%	45%	You'll be hearing from Vestwell Soon
5/5	All Waves	19,956	56%	23%	How to enroll and submit payroll
5/14	Wave 1	600	64%	45%	You Must Take Action
6/8	Payroll Submissions Needed	108	62%	21%	Payroll Contributions Required
6/15	W1, W2, W3	3,897	55%	20%	Wave 2 Starting Soon
6/24	Wave 2	1054	59%	33%	Your Enrollment is Starting Soon
6/25	Wave 1	317	49%	54%	Compliance Window Closing
6/30	Wave 1	255	43%	50%	Today is your enrollment deadline
7/1	Wave 2	989	44%	11%	W2 Enrollment Open

Subscriber Counts

Employees

36,183

Employers

19,787

Open Rate
Industry Average:



Click Rate
Industry Average:



Mailing and Other Outreach

MAILER PERFORMANCE TRACKER

Tracking estimated movement from mailed outreach by comparing mailing lists to employers taking action through 7/1/26.



W1 Not Registered + Onboarding
834 employers mailed

154

Out of 834

18.5%

Movement



60+ Days No Payroll Submitted
130 employers mailed

8

Out of 130

6.2%

Movement



W1 Not Registered + Onboarding
1171 employers mailed

318

Out of 1171

27.2%

Movement



W1 Not Registered + Onboarding
614 employers mailed

92

Out of 614

15%

Movement

OTHER OUTREACH HIGHLIGHTS



Employer Testimonial

Featured a testimonial from one of our pilot program employers.



Chamber of Commerce Presentations

Completed presentations to Hastings and St. Michael. Scheduled presentations to St. Paul, Luverne, and Wilmar.



Conference Vendor Booths

Upcoming booths at Council of Non-Profits and MN Chapter of National Tax Professionals Conferences.



Professional Group Presentations

Completed presentation to Opportunities Exchange Conference. Upcoming presentations at MN Chapter of National Tax Professionals and Twin Cities SHRM Chapter.

Digital Outreach Launch Highlights 4th QTR FY2026

Launch Milestones



LinkedIn ads
launched — **May 28**



Facebook page
launched — **June 1**

Facebook ads
launched — **June 2**

LinkedIn Performance

Accounts reached: **29,719**

Spend: **\$1,792.42**

Clicks to landing page: **839**

Facebook Performance

Accounts reached: **120,506**

Spend: **\$1,658.85**

Clicks to landing page: **5,570**

Audience Growth

LinkedIn followers: **+14**

Facebook followers: **+17**



**Facebook
Verified
Badge Added!**



Insight:

Early campaign activity is establishing baseline reach across both platforms with initial engagement and follower growth.

LinkedIn Advertising Performance Breakdown

PERFORMANCE SNAPSHOT (ALL CAMPAIGNS)



Average CTR
(All Campaigns)

1.92%



Average CPC
(All Campaigns)

\$1.42



Link Clicks to
Landing Page

839

Industry Average
LinkedIn CTR:



0.5%–1.0%

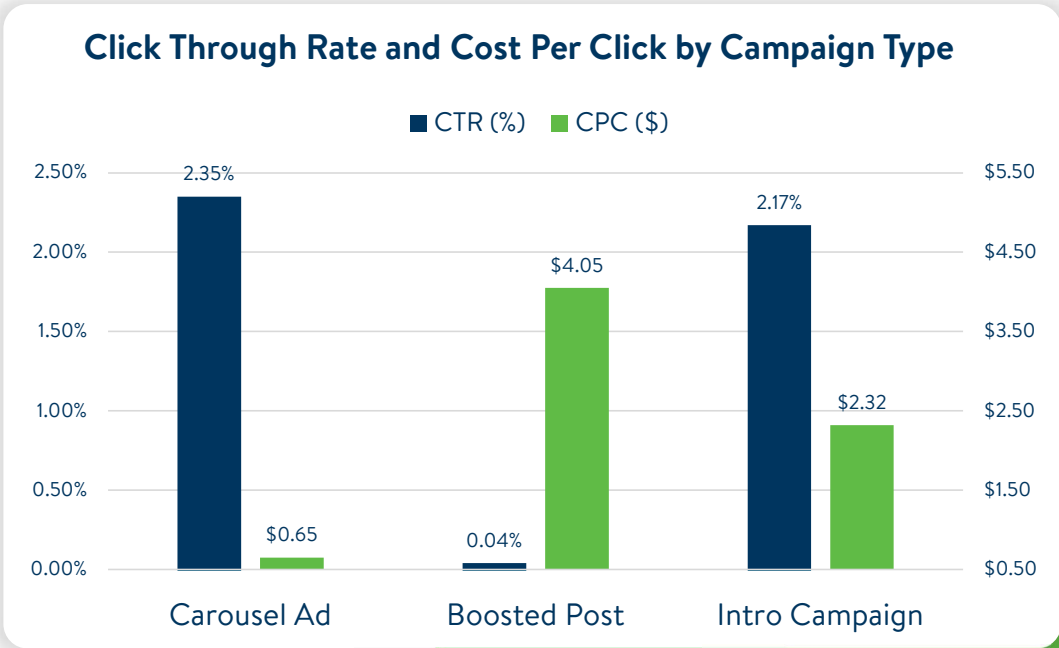
Total
Reach

29,719

Total
Clicks

1,262

CAMPAIGN SNAPSHOT



Carousel Ad
(General Targeting)

CTR: 2.35%
Clicks: 756
Spend: \$490

Boosted Post
(General Targeting)

CTR rate: 0.04%
Clicks: 4
Spend: \$140

Intro Campaign
(Specific targeting)

CTR rate: 2.17%
Clicks: 502
Spend: \$1165

Facebook Advertising Performance Breakdown

PERFORMANCE SNAPSHOT (ALL CAMPAIGNS)



Average CTR
(All Campaigns)

4.86%



Average CPC
(All Campaigns)

\$0.17



Link Clicks to
Landing Page

4,388

Industry Average
Facebook CTR:



1.5%

**Total
Reach**

120,506

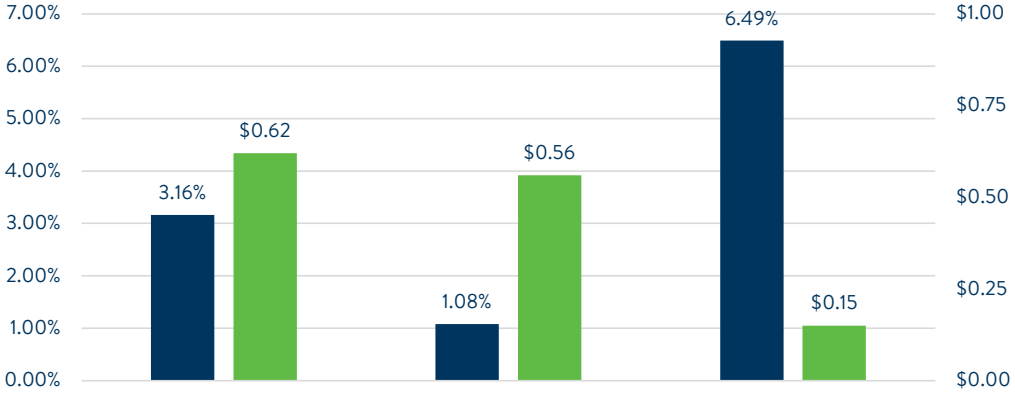
**Total
Clicks**

9,944

CAMPAIGN SNAPSHOT

Click Through Rate and Cost Per Click by Campaign Type

■ CTR (%) ■ CPC (\$)



Campaign Type	CTR (%)	CPC (\$)
Boosted Intro Post	3.16%	\$0.62
Video Campaign	1.08%	\$0.56
Intro Campaign	6.49%	\$0.15

Boosted Intro Post

CTR rate: **3.17%**
Reach: **3,500**
Accounts
Link clicks: **44**
Spend: **~\$140**

Video Campaign

CTR rate: **1.09%**
Reach: **36,000**
Accounts
Link clicks: **68**
Spend: **~\$450**

Intro Campaign

CTR rate: **6.49%**
Reach: **45,719**
Accounts
Link clicks: **3,423**
Spend: **~\$635**

Next Phase: Optimization & Targeted Growth Strategy



1 Audience Targeting Expansion

- LinkedIn: location, company size, job function, seniority (Wave-based targeting)
- Facebook: geography + demographic-based segmentation



2 Tracking & Data Enhancement

- Connect Google Tag to LinkedIn + Facebook
- Improve attribution accuracy across platforms



3 Creative Evolution

- Increase video content usage (higher dwell time)
- Add testimonials to build trust + humanize program



4 Employer Spotlight Strategy

- | | | |
|-----------------------------|----------------------------|---------------------------------|
| Highlight partner employers | Tag organizations in posts | Use short video highlight clips |
|-----------------------------|----------------------------|---------------------------------|



5 Content Cadence

- Minimum 1 post per week (LinkedIn + Facebook)
- Mix of:



Milestones



Q&A



News



Animated Content



Speaking Engagement Highlights

WHY THIS MATTERS

Focus moving forward is shifting from broad awareness to **targeted engagement**, **improved attribution**, and **higher-performing creative formats** to increase **conversion efficiency**.



Social Media Post Examples

Organic:

Unpaid content shared through our social media accounts to inform, engage, and build relationships with our audience. The reach is primarily driven by followers, engagement, and platform algorithms.

mn Minnesota Secure Choice Retirement Program
138 followers
4d • 🌐

Storytime with new Minnesota Savers!

COMPAS took small steps to help their employees secure their future retirement.

COMPAS is non-profit organization that helps connect students, teachers, hospital patients, and other community members with professional Teaching Artists to deliver engaging and creative experiences across Minnesota. Their partnership with MN Secure Choice has helped unlock new opportunities for their employees and build the path for successful rollout of the Program.

Thank you for helping expand access to retirement in Minnesota, **COMPAS**!

MINNESOTA EMPLOYER SPOTLIGHT
Secure Choice partners with Minnesota employers to remove barriers and unlock retirement opportunities for their employees.

COMPAS
MAKING CREATORS

mn MINNESOTA
SECURE CHOICE
RETIREMENT PROGRAM

GROWING THEIR FUTURES
"Any business leader, any non-profit leader has to look at cost effective ways of providing benefits for their employees... when I found out our team was going to come up in 2028, I thought, yeah but I want to be able to offer this now. It could be a differentiator for me to attract an employee in the future...as I thought, why not?"
—Denise Brown White, Executive Director at COMPAS

THE NEW FACES ACCESSING RETIREMENT
COMPAS (Compensation) is a nonprofit organization with more than 50 years of experience delivering dynamic and engaging learning experiences to communities across Minnesota. COMPAS connects professional Teaching Artists with students, teachers, adults, hospital patients, teens, and community members to enrich their imaginations and inspire their lives with creativity. Minnesota educators and employers are excited to partner with COMPAS to help the next generation of Minnesotans secure their financial future.

Chad Roberts, MAcc, SHRM-SCP and 7 others
3 reposts

mn Minnesota Secure Choice Retirement Program
138 followers
3w • 🌐

🎉 Minnesotans are now saving over \$1,000,000 in assets through Minnesota Secure Choice! 🎉

Since program launch less than five months ago, thousands of Minnesotans who previously didn't have access have started retirement accounts and are taking steps for a stronger financial future.

These savings are expected to grow exponentially over time—as more contribute regularly and benefit from compounded earnings—demonstrating how a little bit now can go a long way later.

\$1,000,000+
assets under management

growing retirement savings for Minnesotans!

mn MINNESOTA
SECURE CHOICE
RETIREMENT PROGRAM

Chad Roberts, MAcc, SHRM-SCP and 19 others
1 comment • 1 repost

Paid:

Sponsored posts that use a set budget to reach a targeted audience beyond our existing followers. Designed to increase visibility, drive specific actions, and reach users based on demographics, interests, behaviors, or location.

mn Minnesota Secure Choice Retirement Program
Ad • 🌐

Minnesota employers! If you have 5 or more employees, your deadlines for enrolling in or opting out of the MN Secure Choice Retirement Program are on a rolling basis.

If you have 100 or more employees, you must take action by June 30th.
If you have 50-99 employees, your window for action starts July 1st.

Note: Even if you already offer a qualified retirement plan, you might still need to take action to file an exemption.

The process is simple and straightforward: go to securechoice.mn.gov or call the number listed below:

📞 Employer line: 1-855-938-1474

Minnesota Employers: Don't miss your deadline!

If you have 100 or more employees and do not offer a retirement plan option, Minnesota law requires you to enroll in OR opt out from the Minnesota Secure Choice Retirement Program by **June 30**.

mn MINNESOTA
SECURE CHOICE
RETIREMENT PROGRAM

mn Minnesota Secure Choice Retirement Program
Ad • 🌐

Small steps can change it all. 🌱

Minnesotans, does your job lack a retirement savings option? State law now requires employers who don't offer one to participate in this State-administered Program. It's a simple process that allows part of your earnings to be set aside every paycheck to grow over time - helping you build a stronger tomorrow.

You can follow us for more information, ask your employer if they plan to sign up, or go to <https://securechoice.mn.gov>

"Retirement is too far away to think about"

There is a new path to Minnesotans' retirement

mn MINNESOTA
SECURE CHOICE
RETIREMENT PROGRAM

securechoice.mn.gov



CUSTOMER SERVICE UPDATE

Vestwell Call Center Performance Snapshot

Call Volume Levels Increased Significantly from April-May



Metric	Mar 2026	Apr 2026	May 2026	Insight
ASA (speed to answer)	0:32	0:39	0:38	Up in April - call ctr software change
Abandonment Rate*	0.92%	1.03%	1.57%	Increase MoM, may be related to call ctr update
SLA (<45 sec)*	87.3%	73.5%	81.8%	Dip in April, may be related to call ctr update

Key Takeaways

- Call volume **increased 50%**
- Employer calls now make up most of the call volume (**63%**), up from **43%** in March.
- ASA increased following the April **call center software transition** but improved slightly in May.
- SLA declined in April after the software change but **showed recovery in May**.
- Abandonment rates continue to trend upward and should be monitored.

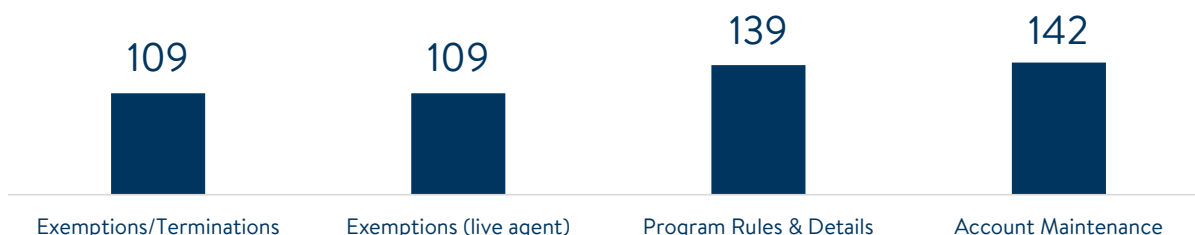
Month	Calls Received	Calls Answered	Answer Rate
March	544	526	96.7%
April	544	533	98.0%
May	815	807	99.0%
Answer rate is improving MoM			

Month	Employer Calls	Employee Calls	Employer %
March	234	307	43.0%
April	281	247	53.2%
May	502	297	62.8%
Employer calls are up significantly as a total percentage of calls			

Vestwell Call Drivers & Operational Insights

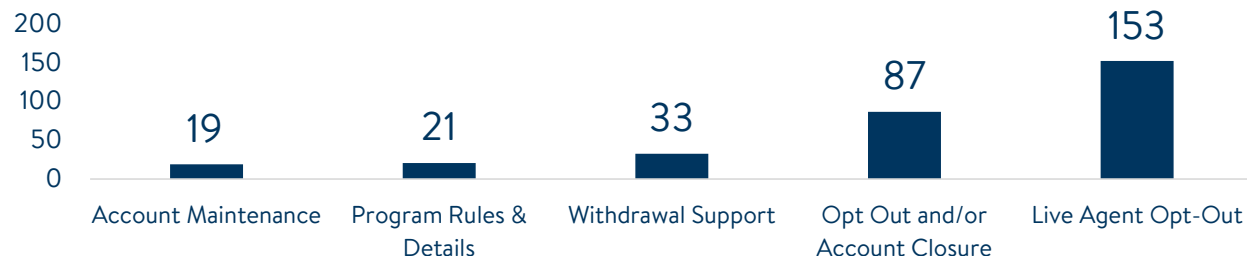


Top Call Drivers - Employers (Apr-May)



Insight: Employer calls have shifted to focus on program information and account maintenance

Top Call Drivers - Employees (Apr-May)



Insight: Employee calls for opt-outs has increased alongside an increase around program details

Operational Insights



Employer Call Demand Stabilizing
Employer support demand is shifting from onboarding/exemption guidance to sustained account maintenance needs.



Exemption-Related Employer Calls Declined

The decrease in exemption-related calls suggests employers have gained familiarity with exemption processes, reducing reliance on live-agent support.



Employee Opt-Out Activity Increased

Becoming the dominant driver of employee call volume



Employee Inquiries Expanded

Employee inquiries expanded beyond opt-outs to withdrawals, program information, and account maintenance, suggesting increased engagement

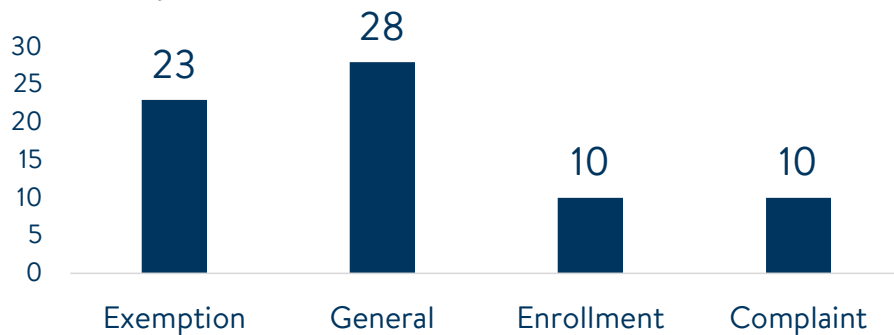
SCRB Staff Provided Customer Support Snapshot



Metric	Apr 2026	May 2026	June 2026
Calls Answered	7	9	20
Emails Answered	10	16	17

Metric	Apr 2026	May 2026	June 2026
Average Response Time (Hours)	0.65	0.23	0.94
First Contact Resolution	100%	100%	80%

Top Contact Drivers 4th QTR FY2026 (phone & email)



Themes

Growing Employer Engagement

Participant interactions increased during June. The volume demonstrates strong employer engagement and an ongoing need for education as additional employers become subject to program requirements.

More Complex Support Needs

As the program continues to mature, customer inquiries are becoming more nuanced. While service levels remain strong, the increase in response time and reduction in first contact resolution indicate a greater share of interactions require additional research or follow-up to fully resolve participant questions.

BUDGET UPDATE

MN Secure Choice FY2026 Budget Report as of July 2, 2026

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	\$ 265,633.35	\$ 164,366.65	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	\$ 2,733.70	\$ 22,266.30	Increased for projected comms campaign spending
Prof Technical Services*	\$ 100,000.00	\$ 475,000.00	\$ 477,000.00	\$ 485,896.53	\$ (8,896.53)	Outside Legal Fees, Record Keeper, Operational Consultant, Recruiter
Communications	\$ 10,000.00	\$ 2,000.00	\$ 12,000.00	\$ 50.00	\$ 11,950.00	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	\$ 1,450.00	\$ 1,050.00	
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	\$ 12,230.67	\$ 6,769.33	Does not reflect June '26 MNIT invoices
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	\$ 5,656.15	\$ 6,343.85	Increased for promotional and presentation materials
Attorney General Costs		\$ 25,000.00	\$ 25,000.00	\$ 320.40	\$ 24,679.60	Allocation for outside legal fees reflected in this line
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	\$ 932,970.21	\$ 331,029.79	
*Original Budget Did Not Include Recordkeeping Costs						

ADJOURNMENT
THANK YOU!

