



## Hope, Opportunity, Perseverance, & Empowerment (HOPE) for Children

Office of State Treasurer Fiona Ma, CPA 901 P St, Suite 411B Sacramento, CA 95814

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**June 16, 2025**

**AGENDA ITEM # 2**

**INFORMATION ITEM**

**HOPE, OPPORTUNITY, PERSEVERANCE, AND EMPOWERMENT (HOPE)**

**for Children Trust Account Program BOARD**

*Executive Director's Report*

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### **Background**

The Executive Director's Report includes an overview of the following items:

- **Program Update**
  - May Revise- The Governor's May Revision proposal included a request to transfer \$50 million from the HOPE program to the General fund.
  - Legislative Budget Committees Update: As of June 9, 2025, Legislative Joint Budget Committee recommended a modification to approve a transfer of \$40 million from the program's budget to the General Fund.
  
- **Operations Update**
  - Contracts
  
- Updated RFP Program Administrator
  - a. The Board approved original RFP scope at the December 2024 Board meeting. Due to budget concerns, Staff



proactively worked with Treasurer's Office to streamline and narrow the RFP to reduce the cost and ensure launch in quarter one of 2026.

b. Updates to the RFP include:

i. Total Cost Overview:

1. A decrease of \$1,200,000 from the previous RFP
2. The prior agreement was a three-year term with an annual cost of \$500,000. HOPE decreased the annual cost by \$50,000. The new annual cost is \$450,000, totaling \$900,000 for the contract term starting July 17, 2025.
3. The prior term allowed for the three one-year extensions. The new term allows for two optional one-year extensions at \$450,000 each, ensuring the contract total does not exceed \$2,800,000 for the entire extended duration.
4. The contract term decreased from \$4 million over the term to \$2,800,000 over the term. Annual amount decreased from \$500,000 to \$450,000 annually.

ii. The Scope of Work:

1. The prior RFP instructed the program administrator to create and implement the financial education program. HOPE prior consultant drafted a financial education program policy. The chosen contractor will coordinate with HOPE staff and vendors to track youth participation in the financial education program.

iii. RFP Cost Structure and Terms

1. The RFP is modeled on similar programs, with CalABLE being the most comparable in cost and scope. While the RFP is modeled on



similar programs, there is not one program that fully aligns with HOPE. Unlike other BCA's, HOPE does not charge fees to youth, therefore, all cost of this program is absorbed through HOPE's administrative budget. The contractor does not have all the option to subcontract out parts of the RFP.

iv. Additional Information:

1. HOPE will ensure STO's ITD has reviewed the RFP and provided the opportunity to provide feedback as well as ensure ITD minimum requirements are included in the RFP.
2. HOPE added language to ensure that HOPE retains ownership to all website and database systems created as a result of this contract. HOPE will retain ownership of any and all media tool kit and outreach materials created.
3. The chosen contractor will assist with transition to new contractor at the cessation of the contract term.

2. Administrative Audit Update

- o Youth Board Seats
  1. Foster Youth Seat
  2. Covid Bereaved Seat

• **Look ahead**

- o 2025 Meeting Calendar
- o Key Items

**Presenter**

Kasey O'Connor, Executive Director

**Attachments**



Exhibit C - May Revise Update

Exhibit D - Senate Report Update

Exhibit E - Executive Overview of RFP for Program Administrator Original

Exhibit F - Executive Overview of RFP for Program Administrator Updated

Exhibit G - Letter of Recommendation for Board Seat

Exhibit H – Upcoming Board Meeting Calendar

Exhibit I – Key Items for Upcoming Board Meeting

