



## Board Report 19-33

Date: October 15, 2019

To: Board of Deferred Compensation Administration

From: Staff

Subject: Fiscal Year (FY) 2020-21 Training & Travel Program

### Board of Deferred Compensation Administration

**John R. Mumma**

*Chairperson*

**Thomas Moutes**

*Vice-Chairperson*

**Raymond Ciranna**

*First Provisional Chair*

**Robert Schoonover**

*Second Provisional Chair*

**Wendy G. Macy**

*Third Provisional Chair*

**Joshua Geller**

**Hovhannes Gendjian**

**Neil Guglielmo**

**Linda P. Le**

### Recommendation:

That the Board of Deferred Compensation Administration (Board) approve the proposed FY 2020-21 Training & Travel Program.

### Discussion:

#### **A. Background**

This report addresses the proposed FY 2020-21 Training/Travel Program. At the beginning of each calendar year the Board adopts a budget for the Deferred Compensation Plan (DCP). Included within that budget is an annual amount for training. Subsequently, in the Fall, staff provides the Board with a proposed Training & Travel Program for the following fiscal year. The Board is asked to adopt the Training & Travel Program on a fiscal year basis due to the need to coordinate travel approval through the City's budget process.

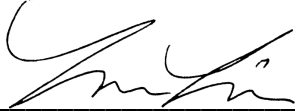
#### **B. Funding for Training/Travel Program**

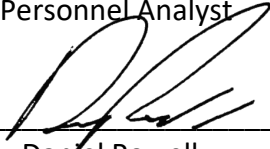
When the Board reviews its long-term expense and revenue projections each year, it assumes the DCP's administrative expenses, including for training and travel, will grow 2% annually. Assuming 2% growth, the DCP can be expected to budget \$33,664 and \$34,337 for training and travel in calendar years 2020 and 2021, respectively. Therefore, for the FY 2020-21 Training/Travel Program, staff assumes a budget of \$34,000, the average of projected training/travel expenditures for calendar years 2020 and 2021.

#### **C. FY 2020-21 Training/Travel Program Adoption**

Staff has developed a proposed Training & Travel Program for FY 2020-21 (**Attachment A**). The recommended internal and external training elements for FY 2020-21 are consistent with those

adopted by the Board at its September 18, 2018 meeting for FY 2019-20. Descriptions of proposed external training events are also included for reference (**Attachment B**). The adoption of the Training & Travel Program elements as identified in this report does not preclude the Board from requesting other training events at any point prior to or during FY 2020-21. Should additional events be approved by the Board, staff will process the request(s) in accordance with the Board's direction and Board/City policies. Staff recommends that the Board adopt the proposed Training & Travel Program for FY 2020-21.

Submitted by:   
Mindy Lam  
Personnel Analyst

Reviewed by:   
Daniel Powell  
Senior Personnel Analyst I

Approved by:   
Steven Montagna  
Chief Personnel Analyst

PROPOSED FY 2020-21 TRAINING TRAVEL PROGRAM

EXTERNAL TRAINING										
Conference Travel (Eligible Conferences)	Tentative/Expected Date(s)	Approx. Per Member Cost	Approx. # Attendees	Maximum Cost	Fiduciary	Ethics	Regulatory	Best Practices	Plan Services	Investments
National Association of Governmental Defined Contribution Administrators (NAGDCA)	September 2020	\$2,500	TBD	\$ -	x		x	x		x
Pensions & Investments (East or West Coast) Defined Contribution Conference	West Coast October 2020 East Coast March 2021	\$1,350	TBD	\$ -	x		x	x		x
International Foundation of Employee Benefit Plans (IFEBP)	October 2020	\$2,500	TBD	\$ -	x		x	x		x
Plan Sponsor Council of America (PSCA)	May 2021	\$2,500	TBD	\$ -	x		x	x		x
Mercer Global Investment Forum	June 2021	\$2,500	TBD	\$ -	x		x	x		x
Plan Sponsor National Conference	June 2021	\$2,500	TBD	\$ -	x		x	x		x
International Foundation of Employee Benefit Plans (IFEBP) – Public Sector 401, 403, 457 Plans	June 2021	\$2,500	TBD	\$ -	x		x			x
Wharton School – Portfolio Concepts and Management	April 2021	\$6,000	TBD	\$ -	x		x			x
Wharton School – Alternative Investment Strategies	July 2020	\$6,000	TBD	\$ -	x		x			x
<b>Total Conference Travel Slots</b>			<b>TBD</b>	<b>\$ 24,700.00</b>						

Business Meeting Travel	Tentative Date(s)	Approx. Per Member Cost	Approx. # Attendees	Maximum Cost	Fiduciary	Ethics	Regulatory	Best Practices	Plan Services	Investments
California Defined Contribution Peer Network Meeting(s)	TBD	\$500	3	\$ 1,500.00	x		x	x		x
Third-Party Administrator Site Visit	TBD	\$1,500	2	\$ 3,000.00					x	
<b>Total Business Meeting Travel Slots</b>			<b>5</b>	<b>\$ 4,500.00</b>						

INTERNAL/ONSITE TRAINING										
Training	Tentative Date(s)	Approx. Per Member Cost	Approx. # Attendees	Maximum Cost	Fiduciary	Ethics	Regulatory	Best Practices	Plan Services	Investments
Fiduciary (at City)	TBD	\$67	15	\$ 1,000.00	x					
Investments (at City)	TBD	\$67	15	\$ 1,000.00						x
Best Practices (at City)	TBD	\$67	15	\$ 1,000.00		x		x		
<b>Total On-site Training Costs</b>			<b>45</b>	<b>\$ 3,000.00</b>						

INDIVIDUAL TRAINING PROGRAMS										
Training	Tentative Date(s)	Approx. Per Member Cost	Approx. # Enrollees	Maximum Cost	Fiduciary	Ethics	Regulatory	Best Practices	Plan Services	Investments
INFRE Retirement Plan Administrator Series	N/A	\$550	2	\$ 1,100.00	x		x	x		x
<b>Total Training Program Costs</b>			<b>2</b>	<b>\$ 1,100.00</b>						

TRAINING EXPENDITURES FY 2020-21	\$ 33,300.00
PROPOSED TRAINING BUDGET FY 2020-21	\$ 34,000.00
<b>DIFFERENCE</b>	<b>\$ 700.00</b>

## Attachment B

### Training Event Descriptions

- 1. National Association of Government Defined Contribution Administrators (NAGDCA)**  
NAGDCA is an organization consisting of government and industry members pursuing legislative enhancements to defined contribution plans and providing educational benefits to its membership. The Annual Conference is focused on issues affecting state and local government administrators of primarily Section 457 defined contribution plans. The conference includes sessions reviewing federal legislative developments, current trends on plan design and administration, and education on plan fundamentals.

**Travel dates:** October 4-7, 2020  
**Travel destination:** Seattle, WA  
**Attendees:** Available Board/staff members
- 2. Pensions & Investments (East or West Coast) Defined Contribution Conference**  
Pension and Investments is a financial publication dedicated to providing comprehensive retirement and investment industry information via its online and distributed print editions. The annual bi-coastal conferences are focused on defined contribution plan administration. The conferences are comprised of panel discussions and keynote speaker presentations regarding fiscal and administrative concerns. Conference registration for Plan Sponsors is complimentary if booked in advance.

**Travel dates:** Expected - West Coast, October 2020; and  
East Coast, March 2020  
**Travel destination:** To be determined  
**Attendees:** Two Board/staff members
- 3. International Foundation of Employee Benefit Plans (IFEBP)**  
The IFEBP is a non-profit organization that focuses on providing a wide array of educational and networking opportunities to professionals administering employee benefits and compensation. The Annual U.S. Employee Benefits Conference provides a wide array of seminar options, including investments and retirement topics.

**Travel dates:** Expected November 2020  
**Travel destination:** Honolulu, Hawaii  
**Attendees:** Two Board/staff members
- 4. Plan Sponsor Council of America (PSCA)**  
The PSCA is a nonprofit association dedicated to serving the evolving needs of Defined Contribution (DC) plan sponsors who seek industry information, educational programs, and regulatory updates. PSCA currently assists more than six million plan participants and provides its members with programs and services to help them better manage their retirement plans.

**Travel dates:** Expected May 2021  
**Travel destination:** To be determined  
**Attendees:** Two Board/staff members
- 5. Mercer Global Investment Forum**  
Mercer is a world-wide firm comprised of professional consultants and experts in the fields of health and retirement. The Mercer Global Investment Forum focuses on investment and economic trends involving institutional investors and plan managers.

**Travel dates:** Expected June 2021  
**Travel destination:** To be determined  
**Attendees:** Two Board/staff members

6. **PLANSPONSOR National Conference**

PLANSPONSOR is an organization focused on trending topics of the retirement industry. The PLANSPONSOR National Conference is expected to address key priorities for retirement plan success.

**Travel dates:** Expected June 2021  
**Travel destination:** To be determined  
**Attendees:** Two Board/staff members

7. **International Foundation of Employee Benefit Plans (IFEBP) – Public Sector 401, 403, 457 Plans**

The IFEBP is a non-profit organization focused on providing a wide array of educational and networking opportunities to professionals administering employee benefits and compensation. Their Certificate Series programs can also be taken individually and separate from pursuit of a certificate.

**Travel dates:** Expected June 2021  
**Travel destination:** To be determined  
**Attendees:** Two Board/staff members

8. **Wharton School – Portfolio Concepts and Management**

In partnership with the IFEBP, the Wharton School of the University of Pennsylvania offers a Portfolio Concepts and Management 3½-day course including lecture/discussion sessions, problem-solving exercises, and small group breakout sessions. This course lays the groundwork for the core principles of portfolio theory and investment performance measurement.

**Travel dates:** Expected April 2021  
**Travel destination:** To be determined  
**Attendees:** One Board/staff member

9. **Wharton School – Alternative Investment Strategies**

In partnership with the IFEBP, the Wharton School of the University of Pennsylvania offers an Alternative Investment Strategies program: Alternative Investment Strategies is a 2½-day specialty program that provides practical education to help you understand the complexities of alternative investments. Focused on the topics of hedge funds and real estate investing for benefit funds, this advanced-level program will provide you with the tools to make effective investment decisions. The course schedule covers lecture/discussion sessions, problem-solving exercises and group breakout sessions. This program is for those who have a solid grasp of investment fundamentals and seek to learn more about how their fund could assess the use of alternative investments. Alternative Investment Strategies is designed to build upon participants' existing knowledge base and experience.

**Travel dates:** Expected July 2020  
**Travel destination:** San Francisco  
**Attendees:** One Board/staff member