



Board Report 20-36

Date: September 15, 2020
To: Board of Deferred Compensation Administration
From: Staff
Subject: Fiscal Year 2021-22 Training & Travel Program

Board of Deferred Compensation Administration

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Recommendation:

That the Board of Deferred Compensation Administration (Board) approve the proposed Fiscal Year (FY) 2021-22 Training & Travel Program.

Discussion:

A. Background

At the beginning of each calendar year, the Board adopts a budget for the Deferred Compensation Plan (DCP), which includes an annual amount for training, education, and related travel expenses. Subsequently in the fall quarter of the calendar year, staff provides the Board with a proposed Training & Travel Program to adopt for the following fiscal year due to the need to coordinate travel approval through the City's budget process. This report addresses the proposed FY 2021-22 Training & Travel Program, which will run from July 1, 2021 to June 30, 2022.


B. Funding for FY 2021-22 Training & Travel Program


The assumed training and travel budget for FY 2021-22 is an average of projected budgets for calendar years 2021 and 2022. At its meeting on April 27, 2020, the Board adopted a \$33,000 budget for training and travel in calendar year 2020. Based on the Board's long-term expense and revenue projections, the DCP's expenses, including for training and travel are assumed to grow 2% annually. Accordingly, the DCP can be expected to budget \$33,660 and \$34,333 for training and travel in calendar years 2021 and 2022, respectively. Taking the average of these projected budgets, staff assumes a budget of \$33,997 for the FY 2021-22 Training & Travel Program.

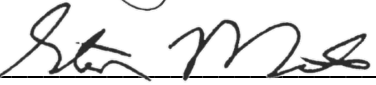
C. Adoption of FY 2021-22 Training & Travel Program

The impact of the COVID-19 pandemic has resulted in the cancellation of many conferences and trainings identified in the FY 2020-21 Training & Travel Program. Additionally, as the City’s ban on non-essential travel remains in effect, staff and Board members are currently not planning to attend any in-person conferences requiring travel at this time. However, as FY 2021-22 is far in the future and many organizations still have not planned how they will deliver training and educational conferences, staff believes it is prudent to assume that organizations will resume these events when they are able to do so. Accordingly, staff has developed a proposed FY 2021-22 Training & Travel Program (**Attachment A**) that includes internal and external training elements that are consistent with those adopted in the FY 2020-21 Training & Travel Program. Descriptions of these proposed training elements are included for reference in **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 2021-22. 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 FY 2021-22 Training & Travel Program.

Submitted by: 
Mindy Lam, Personnel Analyst

Reviewed by: 
Jenny M. Yau, Senior Management Analyst II

Approved by: 
Steven Montagna, Chief Personnel Analyst

PROPOSED FY 2021-22 TRAINING & TRAVEL PROGRAM

ATTACHMENT A

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 2021	\$2,500	TBD	\$ -	x		x	x		x
Pensions & Investments (East or West Coast) Defined Contribution Conference	West Coast October 2021 East Coast March 2022	\$1,350	TBD	\$ -	x		x	x		x
International Foundation of Employee Benefit Plans (IFEBP)	October 2021	\$2,500	TBD	\$ -	x		x	x		x
Plan Sponsor Council of America (PSCA)	May 2022	\$2,500	TBD	\$ -	x		x	x		x
Mercer Global Investment Forum	June 2022	\$2,500	TBD	\$ -	x		x	x		x
Plan Sponsor National Conference	June 2022	\$2,500	TBD	\$ -	x		x	x		x
International Foundation of Employee Benefit Plans (IFEBP) – Public Sector 401, 403, 457 Plans	June 2022	\$2,500	TBD	\$ -	x		x			x
Wharton School – Portfolio Concepts and Management	April 2022	\$6,000	TBD	\$ -	x		x			x
Wharton School – Alternative Investment Strategies	July 2021	\$6,000	TBD	\$ -	x		x			x
Total Conference Travel Slots			TBD	\$ 25,049.56						

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	\$ 1,560.60	x		x	x		x
Third-Party Administrator Site Visit	TBD	\$1,500	2	\$ 3,121.20					x	
Total Business Meeting Travel Slots			5	\$ 4,681.80						

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	\$69	15	\$ 1,040.40	x					
Investments (at City)	TBD	\$69	15	\$ 1,040.40						x
Best Practices (at City)	TBD	\$69	15	\$ 1,040.40		x		x		
Total On-site Training Costs			45	\$ 3,121.20						

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	\$572	2	\$ 1,144.44	x		x	x		x
Total Training Program Costs			2	\$ 1,144.44						

PROPOSED FY 2021-22 TRAINING & TRAVEL BUDGET	\$ 33,997.00
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Calculation for Proposed FY 2021-22 Training & Travel Budget	
CY 2020 Adopted Training & Travel Budget	\$ 33,000
CY 2021 Projected Training & Travel Budget	\$ 33,660
CY 2022 Projected Training & Travel Budget	\$ 34,333
Average of CY 2021 & 2022 Projected Training & Travel Budgets	\$ 33,997

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: Expected October 2021
Travel destination: To be determined
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 2021; and East Coast, March 2022
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 2021
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 2022
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 2022
Travel destination: To be determined
Attendees: Two Board/staff member

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 2022
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 2022
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 2022
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 2021
Travel destination: San Francisco
Attendees: One Board/staff member