

# DEFERRED COMPENSATION PLAN BOARD REPORT 14-20

Date: May 9, 2014  
 To: Board of Deferred Compensation Administration  
 From: Staff  
 Subject: Conference and Training Travel 2014-15

Members  
 Eugene K. Canzano, Chairperson  
 John R. Mumma, Vice-Chairperson  
 Cliff Cannon, First Provisional Chair  
 Tom Moutes, Second Provisional Chair  
 Michael Amerian  
 Ray Ciranna  
 Mary Higgins  
 Robert Schoonover  
 Margaret Whelan

**Recommendation:**

That the Board of Deferred Compensation Administration review information contained in this report regarding conference and training events for FY 2014/15 and provide staff with completed travel/training preference requests by May 23, 2014.

**Discussion:**

At its July 16, 2013 meeting the Board approved a proposed 2014/15 training program. The Personnel Department included these proposed items in its Fiscal Year 2014/15 budget request and they are included in the proposed Fiscal Year 2014/15 budget currently being considered by City Council. The Board report from July 16, 2013 is attached for reference as attachment A.

The 2014/15 training program includes conference events and educational programs as shown below and which are detailed with full descriptions in attachment B.

No.	2014/15 Conference Travel locations	Tentative Date(s)	Location	Max Attend
1	IFEBP – Public Sector 401, 403, 457 Plans	July 23-24, 2014	Brookfield , WI	2
2	NAGDCA (National Association of Governmental Defined Contribution Administrators)	September 14-17, 2014	San Antonio, TX	16
3	Plan Sponsor Council of America	September 15-18, 2014	Miami, FL	2
4	Institutional Investor Defined Contribution Symposiums	September 16-17, 2014 Or April 2015(Actual Dates TBA)	Half Moon Bay, CA	2
5	PIMCO Institute Investment Seminar	September 2014 (Actual Dates TBA) Or June 2015 (Actual Dates TBA)	(TBD)	2
6	International Foundation of Employee Benefit Plans	October 12-15, 2014	Boston, MA	2
7	Pensions & Investments East Coast or West Coast Conference	October 2014 (Actual Dates TBA) Or March 2015 (Actual Dates TBA)	(TBD)	2
8	Wharton School – Portfolio Management Course	May 2015 (Actual Dates TBA)	Philadelphia, PA	1
9	Mercer Global Investments Forum	June 2015(Actual Dates TBA)	(TBD)	2
10	Plan Sponsor National Conference	June 2015 (Actual Dates TBA)	(TBD)	2

**Preference Notification:** Board members are asked to indicate their preference for attending external travel and education events by filling out the online travel preference form at <http://goo.gl/pTww5> or by completing the attached paper form (Attachment C). All Board members are requested to submit their preferences by Friday, May 23.

The adopted Board travel policy allows for each Plan Board/staff member to attend one external training event per fiscal year. However, staff is conducting a review of unused travel funds from the 2012/13 fiscal year which, when combined with the travel surplus from the 2013/14 fiscal year, may provide sufficient revenue for each member to attend up to one additional training event in the 2014/15 year. Staff expects to complete the review of surplus travel funds after the close of this current fiscal year. Board members are asked to indicate their preferences of events as first, second, and third so that staff can evaluate the ability for members to attend trainings.

Board members should not expend any personal funds for these events until final approval has been provided by the Mayor and travel authorities are issued by the City Controller. Staff will provide further information as it becomes available.

Submitted by: \_\_\_\_\_  
Paul Makowski

Approved by: \_\_\_\_\_  
Steven Montagna

# DEFERRED COMPENSATION PLAN BOARD REPORT 13-23

Date: July 3, 2013  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Training Programs: FYs 2013/14 and 2014/15

*Members*  
*Eugene K. Canzano, Chairperson*  
*John R. Mumma, Vice-Chairperson*  
*Cliff Cannon, First Provisional Chair*  
*Tom Moutes, Second Provisional Chair*  
*Sangeeta Bhatia, Third Provisional Chair*  
*Michael Amerian*  
*Ray Ciranna*  
*Robert Schoonover*  
*Margaret Whelan*

## Recommendation:

That the Board of Deferred Compensation Administration approve (a) staff's recommendations for Board/staff travel expenditures for Fiscal Year 13/14; (b) staff's recommendation for an in-meeting training to be conducted by the Board's tax counsel at the earliest available meeting; and (c) staff's proposed Training Program for Fiscal Year 14/15, which includes reserving \$5,750 of carryover funds from FY 13/14.

## Summary

This report includes staff's recommendations for Board/staff travel expenditures, subject to Mayoral approval for FY 13/14. Staff requested that Board members identify FY 13/14 conference training preferences, so that staff could develop a recommendation to the Board regarding specific conference training authorizations for FY 13/14. The results of the survey are summarized in this report. Staff also recommends an in-meeting training on the topic of regulatory duties and obligations for administering a Section 457 defined contribution plan. Finally, this report includes the proposed FY 14-15 Training Program for Board consideration.

## Discussion

**Conference Training** - At its July 17, 2012 meeting, the Board adopted a Training/Education/Travel policy for its members and staff. The Training Policy establishes objectives for training within certain categories, identifies resources for providing training, and authorizes the creation of an annual education program.

At its October 16, 2012 meeting, the Board adopted a Training Program for FY 13/14. The Training Program identifies specific planned training resources for the coming fiscal year, including any involving travel.

At its June 18, 2013 meeting, staff presented the Board with conference travel options for the FY 13/14 Training Program. Staff requested that Board members identify

conference training preferences so that staff could develop a recommendation to the Board regarding specific conference training authorizations for FY 13/14.

Additionally, staff informed the Board that although a normal year’s travel budget has sufficient resources for one conference travel event per year, a training budget surplus carryover from the 2012/13 fiscal year provided resources that could allow individuals to attend more than one event. Available funding for FY 13/14 travel is indicated as follows:

RESOURCES	AMOUNT
Training Budget for FY 13/14	\$ 55,756
Unused Training Carryover from FY 12-13	\$ 33,607
<b>Total Funds Available for FY 13/14</b>	<b>\$ 89,363</b>

The following table summarizes the travel preferences indicated by Board/staff members. Staff is recommending that the Board authorize the necessary training and travel-related expenditures for these events:

Training Conference Event	Location of Training Event	Number of Board/Staff requesting attendance	Estimated Cost per person
National Association of Governmental Defined Contribution Administrators (NAGDCA) *	Louisville, Kentucky	14	\$2,480
Institutional Investor Defined Contribution Symposiums	Half Moon Bay, California	1	\$1,200
International Foundation of Employee Benefit Plans	Las Vegas, Nevada	2	\$2,500
Pensions & Investments West Coast Conference	San Francisco, California	2	\$1,500
Plan Sponsor National Conference	TBD	2	\$2,000
<b>TOTAL (For all attendees/events)</b>			<b>\$47,920</b>

*\*In the past the Board has approved funding for any available Board/staff members to attend the NAGDCA Conference since it is the only conference training event that is exclusively focused on governmental defined contribution plan administration. Although 8 individuals specifically indicated they would attend, some have not been able to provide final confirmation. Staff is therefore requesting that the Board approve all available individuals (excluding only those who have confirmed they are not able to attend).*

Notwithstanding any of these events which were included in the City’s adopted budget for FY 13/14, all conference-related travel is still subject to final approval by the Mayor’s

Office. Certain conferences adopted by the Board were not included in the adopted budget, including the Institutional Investor Defined Contribution Symposiums and the Pension and Investments West Coast Conference. Staff will nevertheless include those in its request for Mayor's Office authorization.

Board members should not expend any personal funds for any of these conferences until final approval has been provided by the Mayor and travel authorities issued by the City Controller. Staff will provide further information on this as it becomes available.

The current estimated total expenditure for conference-related travel is \$47,920 vs. a budgeted amount of \$40,000. The additional expenditure beyond the Board's budgeted amount can be funded out of carryover funds from FY 12/13. Staff will not project any potential surplus from FY 13/14 until other elements of the training program (including business meeting travel and in-meeting trainings) have been addressed; approval of this recommendation does not preclude the Board from adopting additional travel or training authorizations during the course of the fiscal year.

**In-Meeting Training: Regulatory Overview** – As the Board is aware, the City Attorney is in the process of entering into a contract with Steptoe and Johnson LLP to provide advice and guidance to the Board on tax and regulatory matters. As of the time of writing this report, this contract had not been executed. However, upon execution, staff recommends that the Board approve training module involving a presentation from Steptoe's principal, Donald Wellington, on the topic of regulatory duties and obligations for administering a Section 457 defined contribution plan. The date of this training would be subject to final approval of the contract with Steptoe and Johnson and optimal integration with the Board's ongoing meeting calendar.

**Fiscal Year 14-15 Proposed Training Program** – Staff has developed a "Proposed Training/Travel Program FY 14/15" (Attachment A). The recommendations for FY 2014/15 are similar to those adopted at the Board's October 16, 2012 meeting for FY 2013/14.

The only change to the proposed training program for FY 14/15 is the addition of two educational certificate courses. The first course is an investment certification course offered through the Wharton School at the University of Pennsylvania in partnership with the International Foundation of Employee Benefits. This added educational option comes following input received from the Board Chairperson. Participation in this event does create a deficit in the overall travel/training budget, but staff is proposing reserving \$5,750 of carryover funds from FY 13/14 to address that deficit. The other educational course is on Public Sector 457 Plans and is offered as part of the International Foundation of Employee Benefits Certificate Series. This event will be added to the seminar options and does not alter the budget.

Staff recommends approval of its proposed training program for FY 14-15.

Submitted by:

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Paul Makowski

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Steven Montagna

Approved by:

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Alejandrina Basquez

## PROPOSED TRAINING/TRAVEL PROGRAM FY 14-15

EXTERNAL TRAINING										
Conference Travel (Eligible Conferences)	Tentative Date(s)	Approx. Per Member Cost	Approx. # Attendees	Maximum Cost	Fiduciary	Ethics	Regulatory	Best Practices	Plan Services	Investments
Natl Assn of Governmental Defined Contribution Administrators (NAGDCA)	9/6/2014 - 9/10/2014	\$ 2,500	TBD	TBD	x		x	x		x
Pensions & Investments East Coast or West Coast Conference	Oct-14 / Mar-15	\$ 2,500	TBD	TBD	x		x	x		x
International Foundation of Employee Benefit Plans	Nov-14	\$ 2,500	TBD	TBD	x		x	x		x
Institutional Investor Defined Contribution Symposiums	Sep-14 or Apr-15	\$ 2,500	TBD	TBD	x		x	x		x
PIMCO Institute Investment Seminars	Sep-14 or Jun-15	\$ 2,500	TBD	TBD	x					x
Plan Sponsor Council of America	Sep-14	\$ 2,500	TBD	TBD	x		x	x		x
Mercer Global Investments Forum	Jun-15	\$ 2,500	TBD	TBD	x		x	x		x
Plan Sponsor National Conference	Jun-15	\$ 2,500	TBD	TBD	x		x	x		x
International Foundation of Employee Benefit Plans – Public Sector 457 Plans course	Oct - 14	\$2,500	TBD	TBD	x		x			x
Wharton School - Portfolio Management	May-15	\$ 5,850	1	TBD	x		x			x
<b>Total Conference Travel Slots</b>			<b>16</b>	<b>\$ 45,850</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)	Jun-15	\$ 500	2	\$ 1,000	x		x	x		x
Third-Party Administrator Site Visit	Apr-15	\$ 500	2	\$ 1,000					x	
<b>Total Business Meeting Travel Slots</b>		<b>\$ 500</b>	<b>4</b>	<b>\$ 2,000</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	\$ 267	15	\$ 4,000	x					
Regulatory (at City)	TBD	\$ 267	15	\$ 4,000			x			
Investments (at City)	TBD	\$ 67	15	\$ 1,000						x
Best Practices (at City)	TBD	\$ 200	15	\$ 3,000		x		x		
<b>Total On-site Training Costs</b>				<b>\$ 12,000</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	5	\$ 2,750	x		x	x		x
<b>Total Training Program Costs</b>				<b>\$ 2,750</b>						

TRAINING EXPENDITURES FY 14/15

**\$ 62,600**

TRAINING BUDGET FY 14/15

**\$ 56,850**

RESERVE FUNDS TO BE HELD OVER FROM FY 13/14

**\$ 5,750**

DIFFERENCE

**\$ (0)**



## Deferred Compensation Plan Conference and Training Events 2014-15

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

The International Foundation of Employee Benefit Plans is a non-profit organization that focuses on providing a wide array of educational and networking opportunities to professionals administering employee benefits and compensation. Their Certificate Series programs are a series of courses provided towards pursuit of receiving a particular designation, but which can also be taken individually and separate from pursuit of a certificate.

**Travel dates:** July 23-24 2014\*      **Travel destination:** Brookfield, Wisconsin  
<http://www.ifebp.org/education/certificateprograms/certificateSeries/Schedule/Pages/default.aspx>

#### Purpose and Benefit

The Public Sector 401, 403, 457 Plans course identifies core principals of each plan type and provides an enriching learning experience that combines valuable materials, outstanding instruction and networking opportunities.

*\*Staff is still verifying whether this training will be available and/or whether it may occur at another date within the fiscal year.*

### 2. **National Association of Government Defined Contribution Administrators (NAGDCA)**

The National Association of Government Defined Contribution Administrators (NAGDCA) is an organization consisting of government and industrial 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 generally includes sessions reviewing federal legislative developments, current trends on plan design and administration, and education on plan fundamentals.

**Travel dates:** September 14-17, 2014      **Travel destination:** San Antonio, Texas  
<http://conference.nagdca.org/dnn/default.aspx>

#### Purpose and Benefit

The NAGDCA 2014 Conference is an annual event that provides detailed discussions and legislative updates regarding plan administration of defined contribution plans. The conference provides valuable training opportunities in areas relative to the administration of the City of Los Angeles' Deferred Compensation 457 Plan.

### 3. **Plan Sponsor Council of America**

The Plan Sponsor Council of America (PSCA) is a nonprofit association that provides services, best practice information, and advocacy to defined contribution plan sponsors. Members have access to a broad range of resources and programs that address the varying needs of both small and large companies. Membership includes 1,200 companies ranging in size from Fortune 100 firms to small, entrepreneurial businesses.

**Travel dates:** September 15-18, 2014      **Travel destination:** Miami, Florida  
<http://www.pasca.org/2014-national-conference>

#### Purpose and Benefit

Attendance of the conference will provide valuable training and networking opportunities related to the administration of the City of Los Angeles' Deferred Compensation 457 Plan.

#### **4. Institutional Investor Defined Contribution Symposiums**

Institutional Investor is an organization which provides consortiums of professionals, including members from both the public and private sectors, with complimentary peer-to-peer discussions covering pensions and defined contribution plans. The 2014 invitation only Defined Contribution Symposium, entitled "Pursuing Outcomes", will provide panel discussions, case studies, and workshops to cover topics of both the participant and administrator side of participant education, investment trends, and taxation topics. Although this event is by invitation only, City representatives have been asked to participate in the past.

**Travel dates:** September 16-17, 2014      **Travel destination:** Half Moon Bay, CA  
<http://www.iiconferences.com/dcs/default.html>

##### **Purpose and Benefit**

The Symposiums are peer-level discussions comprised of defined contribution plan administrators. Attendance of the symposium will provide information and insight into improving the efficiency of administering the City of Los Angeles' Deferred Compensation 457 Plan.

#### **5. PIMCO Institute Investment Seminar**

Information about the PIMCO Institute Investment Seminars are currently unavailable

#### **6. International Foundation of Employee Benefit Plans**

The International Foundation of Employee Benefit Plans 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 60<sup>th</sup> Annual U.S. Employee Benefits Conference is formatted to provide a large list of seminar options in which attendees can build their itinerary from broader overall topics.

**Travel dates:** October 12-15, 2014      **Travel destination:** Boston, Massachusetts  
<http://www.ifebp.org/education/usannual/Pages/default.aspx>

##### **Purpose and Benefit**

The IFEBP conference provides training in federal legislative developments, the current trends and best practices on plan design and administration as well as basic education on plan fundamentals. The Annual Conference would provide attendees with essentials and information to improve the sustainability of administering the City of Los Angeles' Deferred Compensation 457 Plan.

#### **7. Pensions and Investments (East or West) Conference**

Pension and Investments is a company dedicated to providing comprehensive retirement and investment industry information via its online and distributed print editions. The annual bi-coastal conferences direct each agenda to current issues facing each region. The 2014 West Coast Conference is not yet announced, but the 2013 event comprised of panel discussions and keynote speaker presentations regarding fiscal and administrative concerns. Conference registration for Plan Sponsors is usually complimentary if booked in advance.

**Travel dates:** October TBD 2014      **Travel destination:** TBD  
<http://www.pionline.com/conferences>

##### **Purpose and Benefit**

Attendance of the conference will provide valuable training and networking opportunities related to the administration of the City of Los Angeles' Deferred Compensation 457 Plan.

## 8. Wharton School – Portfolio Management Course

In a partnership with the International Foundation of Employee Benefit Plans, the Wharton School of the University of Pennsylvania offers a Portfolio Concepts and Management course: a 3½-day course that offers 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, offering the practical tools and experiences needed to make sound investment management decisions.

**Travel dates:** May (TBD) 2015

**Travel destination:** TBD

<https://www.ifebp.org/education/certificateprograms/wharton/portfolioconcepts/Pages/default.aspx>

### Purpose and Benefit

Attendance of the Wharton program will provide detailed investment management instruction from an experienced top level educator.

## 9. Mercer Global Investment Forum

Mercer is a world-wide firm comprised of professional consultants and experts in the fields of Health, Wealth, and People and works directly with its clients. The Mercer Global Investment Forums are a series of events around the world with focuses on idea sharing and networking between institutional investors and plan managers.

**Travel dates:** June (TBD) 2015

**Travel destination:** TBD

<http://www.mercersignatureevents.com/investmentforums/2014/index.shtml>

### Purpose and Benefit

2015 forums have yet to be announced, but the 2014 forum entitled “Entering the Upswing? Charting a Course For Investment Success” provided exposure to a global platform where topical ideas and insights are exchanged.

## 10. PLANSPONSOR National Conference

PLANSPONSOR is an organization focused on putting trending topics of the retirement industry into the hands of its public and private sector membership through its online content and print editions of the PLANSPONSOR magazine. The 2015 event has not been announced, but the PLANSPONSOR 2014 National Conference, entitled “Defining Success: Setting and achieving goals for your company’s retirement plan and its participants”, showcases collaborations of field experts on legislation, education, and administration topics.

**Travel dates:** June (TBD) 2015

**Travel destination:** TBD (Chicago anticipated)

<http://www.plansponsor.com/event/psnc2014/>

### Purpose and Benefit

PLANSPONSOR is an organization identifying trends affecting defined contribution plans across the nation. Their annual conference provides a forum for interaction and peer education on relevant topics. Attendance of the conference will provide valuable training opportunities related to the administration of the City of Los Angeles’ Deferred Compensation 457 Plan.

## Board of Deferred Compensation Administration Travel Request Form 2014-15

Board Member Name: \_\_\_\_\_

1. Would you like to attend NAGDCA Conference from 9/14/14 to 9/17/14?

YES

NO

Not Sure

2. Please indicate your primary and alternate choices below.

	2014/15 Travel Options	Tentative Date(s)	Location	PRIMARY	1 <sup>st</sup> Alternate	2 <sup>nd</sup> Alternate
1	IFEBP: Public Sector 401, 403, 457 Plans	July 23-24, 2014	Brookfield WI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	NAGDCA	September 14-17, 2014	San Antonio TX	<b>Mark #1 as "YES"</b>	<input type="checkbox"/>	<input type="checkbox"/>
3	Plan Sponsor Council of America	September 15-18, 2014	Miami, FL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Institutional Investor Defined Contribution Symposiums	September 16-17, 2014	Half Moon Bay, CA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		April 2015	(TBD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	PIMCO Institute Investment Seminar	Dates Unknown	(TBD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	International Foundation of Employee Benefit Plans	October 12-15, 2014	Boston, MA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Pensions & Investments East or West Conference	Oct 2014 <i>West Coast</i>	(TBD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Mar 2015 <i>East Coast</i>	(TBD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Wharton School – Portfolio Course	May 2015	Philadelphia PA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Mercer Global Investments Forum	June 2015	(TBD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Plan Sponsor National Conference	June 2015	(TBD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Submit completed forms to Paul Makowski by Friday May 23, 2014:

Fax: 213-978-1590

Email: [paul.makowski@lacity.org](mailto:paul.makowski@lacity.org)