

# Deferred Compensation Plan BOARD REPORT 14-46

Date: October 8, 2014  
 To: Board of Deferred Compensation Administration  
 From: Staff  
 Subject: Status of DCP Contracts and Procurements

Board of Deferred  
Compensation Administration  
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**Recommendation:**

That the Board of Deferred Compensation receive and file this quarterly report regarding the status of Deferred Compensation Plan contracts and procurements.

**Background:**

The following information is provided on a quarterly basis to the Board to review Plan contracts and current/future procurements and searches.

Following is an overview of the current status of Plan contracts:

No.	CONTRACTOR	SERVICES	CONTRACT NO.	CONTRACT TERM	CONTRACT CEILING AMOUNT	INITIATE SUCCESSOR RFP	COMMENTS
1	Bank of the West	Bank Deposit Account Provider	<i>Pending</i>	10/1/2014 – 9/30/2019	N/A	9/30/2018	Pending contract. Board approved selection on 7/15/14. Mayor approved contract 10/3/14.
2	East West Bank	Bank Deposit Account Provider	<i>Pending</i>	10/1/2014 – 9/30/2019	N/A	9/30/2018	Pending signatures & execution. Board approved selection 7/15/14. Mayor approved contract 10/3/14.
3	Galliard Capital Management	Investment Management Services: <i>Stable Value Fund</i>	C-115721	7/1/09 – 6/30/14  <i>Extension:</i> 7/1/2014 – 6/30/2015	N/A	Nov. 2014	1 <sup>st</sup> amendment pending Mayor approval & signatures.  RFP to be released in 4 <sup>th</sup> quarter 2014.
4	Mercer Investment Consulting	DCP Consulting Services: <i>Plan Administration and Investments</i>	C-122866	6/01/2012 – 6/30/2015	\$375,000	Dec. 2014	RFP to be released in 4 <sup>th</sup> quarter 2014.
5	State Street Global Advisors (SSgA)	Investment Management Services: <i>Russell 2000 Index Fund</i>	C-116169	1/1/2009 – 12/31/2013  <i>Extension:</i> 1/1/2014 – 6/30/2015	N/A	Commingled fund to be replaced by mutual fund (no contract required)	Pending finalization of amendment. Board approved extension on 11/19/2013.
6	Buck Consultants	DCP Consulting Services: <i>Communications</i>	C-120509	6/15/2012 – 6/14/2015	\$150,000	Dec. 2014	None.

7	Great-West Retirement Services	Deferred Compensation Plan Third Party Administrator	C-112352	1/1/2007 – 12/31/2011 <i>Extension:</i> 1/1/2012 – 12/31/2016	N/A	10/1/2015	RFP to be released in 3 <sup>rd</sup> Quarter 2015
8	Step toe & Johnson	Deferred Compensation Plan Tax Counsel	C-123044	08/27/2013 – 08/26/2016	\$10,000	8/1/2015	This contract is executed by the City Attorney, not the Board

## STATUS OF CONTRACTS & PROCUREMENTS

- FDIC-Insured Savings Account  
Bank of the West and East West Bank assumed responsibility as the underlying depositories for the Plan’s FDIC-Insured Savings Account option on October 1, 2014. Mercer has identified Union Bank as a viable option for the third provider for the account; staff is working with Union Bank to evaluate City contracting compliance issues before bringing any recommendation to the Board.
- Upcoming Request for Proposals (RFP)  
Staff anticipates releasing two RFPs by the end of 2014. The first is for the management of the DCP Stable Value Fund, the incumbent provider for which is Galliard Capital Management. Galliard’s contract expires June 30, 2015. The second RFP is for consulting services for Plan investments, administration, and communications. The contracts for the current providers, Mercer (investments, plan administration, and communications) and Buck Consulting (communications), are also expiring June 2015. Staff anticipates having drafts of the RFPs to the Board at the November 2014 meeting.

Submitted by: \_\_\_\_\_  
Esther Chang

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