

Deferred Compensation Plan BOARD REPORT 15-39

Date: July 13, 2015
To: Board of Deferred Compensation Administration
From: Staff
Subject: Staff Report – Projects & Activity Report

Board of Deferred
Compensation Administration
John R. Mumma, Chairperson
Michael Amerian, Vice-Chairperson
Cliff Cannon, First Provisional Chair
Tom Moutes, Second Provisional Chair
Ray Ciranna, Third Provisional Chair
Linda P. Le
Wendy G. Macy
Robert Schoonover
Don Thomas

Recommendation:

That the Board of Deferred Compensation Administration receive and file staff's update on Plan projects and activities during June 2015.

Discussion

This report provides updates and informational items relative to the following:

A. CURRENT/UPCOMING PROJECTS & BOARD MEETING CALENDAR

Projects – Personnel Department staff are responsible for four primary functions relative to executing the City's Deferred Compensation Plan: communications, operations, administration, and governance. Below are certain key projects that staff have been working on (outside of the projects discussed in separate accompanying reports):

Communications

- *Newsletter - 2nd Quarter 2015:* Staff has finalized the newsletter issue and the accompanying fund performance sheet, which required some additional notes related to the recent fund changes. The newsletter and statements are expected to mail at the end of this month.
- *National Save for Retirement Week (NSFRW) 2015:* Staff is exploring ideas for this year's campaign and anticipates presenting an action plan at the Board's August meeting. NSFRW this year is officially October 18-24, 2015.

Operations

- *June 26, 2015 Fund Change:* The DCP International Fund was established and the other international funds (the Fidelity Diversified International Fund and the Deutsche EAFE Equity Index Fund) are no longer offered as standalone options in the Plan. Additionally, the DCP Small-Cap Fund was updated to include the Vanguard Small Cap Index within its underlying allocation. At this time, staff has not received any escalated comments or concerns from participants.
- *In-Plan Roth Conversion:* Staff is working with Empower to clarify transaction processing procedures and update language on the applicable forms. It is anticipated that this feature will be live by September and announced to Plan participants in the October quarterly newsletter.

Administration

- *Metrics:* Staff continues to work on identifying and tracking Plan data related to its efforts for the Targeted Enrollment Initiative and other general metrics reporting efforts. Additionally, the next iteration of the Plan’s enhanced metrics quarterly report will be presented to the Board in September.
- *Cost Allocation Plan (CAP) Rate:* Staff continues its research regarding the methodology for calculating Plan-related reimbursements and will report to the Board when its analysis and recommendations are complete.

Governance

- *Plan Document:* The revised Plan Document was uploaded to the participant and Board websites.

A summary of all completed and upcoming projects for Division staff is provided as Attachment A.

Meeting Calendar – Staff maintains a calendar of upcoming Board meetings and proposed topics. This calendar includes the annual meeting plan and will be refined and updated as the Board meets and objectives/assignments are refined for the coming year. The current calendar is provided as Attachment B.

B. STAFFING AND COMMITTEE ASSIGNMENTS

Staffing Summary – Following is a summary of staff positions supporting the Deferred Compensation Plan:

Position Authority	Incumbent Class	Function	Est. Percent Reimbursed by DCP	Staff Member
Personnel				
Chief Personnel Analyst	Chief Personnel Analyst	Division Chief	20%	Steven Montagna
Senior Personnel Analyst II	Senior Personnel Analyst II	Plan Manager	60%	Alexandra Castillo
Senior Personnel Analyst I	Senior Management Analyst I	Administration	100%	Esther Chang
Management Analyst II	Management Analyst II	Operations	90%	Paul Makowski
Management Analyst II	Management Analyst II	Communications	90%	Matthew Vong
Benefits Specialist	<i>Vacant</i>	Participant Services	90%	<i>Vacant</i>
City Attorney				
Assistant City Attorney	Assistant City Attorney	Board Counsel	25%	Curt Kidder
Legal Assistant	Legal Assistant	Participant Legal Services	40%	Vicky Williams

Committee Membership – Following is the current committee roster. Staff recently surveyed the Board’s Committee preferences due to recent changes to Board membership. Staff will separately forward a notice from the Board Chair once final assignments have been made.

Plan Governance & Administrative Issues Committee
John R. Mumma, Chair Cliff Cannon

Investments Committee
Vacant, Chair Tom Moutes Michael Amerian

C. Informational Items and Updates

Staff will be coordinating travel arrangements for the annual NAGDCA conference with the Board.

Submitted by: _____
Esther Chang

Reviewed by: _____
Alexandra Castillo

Approved by: _____
Steven Montagna

DEFERED COMPENSATION						
Legend:						
G = Governance						
C = Communications						
O = Operations						
A = Administration						
COMPLETED PROJECTS: JUNE 2015						
#	STATUS		PROJECT	DUE DATE	COMPLETED?	NOTES
1	Completed	G	Minutes - May 2015 Meeting	06/30/15	Y	
2	Completed	G	Board Report - Plan Document Revisions	06/30/15	Y	
3	Completed	G	Board Report - Election Results Update	06/30/15	Y	
4	Completed	G	Board Report - Staff Projects & Activities	06/30/15	Y	
5	Completed	A	Mercer - Finalize Contract Amendment	06/30/15	Y	
6	Completed	A	NAGDCA Survey Response	06/30/15	Y	
7	Completed	A	Ohio DC Plan Survey Response	06/30/15	Y	
8	Completed	C	Personnel Department Website Review - DCP Content	06/30/15	Y	
9	Completed	C	Final 2Q Newsletter	06/30/15	Y	
10	Completed	C	Annual Report - Print & Distribution	06/30/15	Y	
11	Completed	C	Update DCP Small-Cap Fund Sheet	06/30/15	Y	Related to fund change
12	Completed	C	Update Profile Portfolio Fund Sheets	06/30/15	Y	Related to fund change
13	Completed	C	Revise Fund Performance Sheet	06/30/15	Y	Related to fund change
14	Completed	O	Update PSP Defaulted Addresses - Review & Clean-Up	06/30/15	Y	
15	Completed	O	Fund Change June 26, 2015 - Operational Details	06/30/15	Y	
16	Completed	O	Plan Payroll & Transaction Processing	06/30/15	Y	Ongoing, including transactions for paycheck dates 6/10 & 6/24
17	Completed	O	Participant & Payroll Issues Resolution	06/30/15	Y	Ongoing
PENDING PROJECTS						
JULY 2015						
1	PENDING	G	Minutes - June 2015 Meeting	07/31/15		Pending
2	PENDING	G	Board Report - Staff Projects & Activities	07/31/15		Pending
3	PENDING	G	Board Report - TPA RFP	07/31/15		Pending
4	PENDING	G	Board Report - Brown Act Information	07/31/15		Pending

5	PENDING	G	Board Report - Targeted Enrollment Initiative Update	07/31/15		Pending
6	PENDING	G	Board Report - NSFRW 2015 Campaign Proposal	07/31/15		Pending
7	PENDING	G	Board Report - Auto Enrollment Program Update	07/31/15		Pending
8	PENDING	G	Board Report - Status of DCP Contracts	07/31/15		Pending
9	PENDING	G	Board Report - Hardship Request 15-01	07/31/15		Pending
10	PENDING	C	Distribution Options Guide - Tax and Loan revisions	07/31/15		Pending
11	PENDING	C	Accrued Leave - Flier and Form Revisions	07/31/15		Pending
12	PENDING	C	Catch Up - Form revisions	07/31/15		Pending
13	PENDING	C	Employee Benefits Division NEWSLETTER - Content & Format Development	07/31/15		Pending
14	PENDING	C	Research - Video Content Development Capabilities	07/31/15		Pending
15	PENDING	A	Bank of the West - Additional Account Services Agreement Review	07/31/15		Pending
16	PENDING	A	Stable Value - Finalize Galliard Contract	07/30/15		Pending
17	PENDING	A	Consulting Services - Finalize Segal Contract	07/30/15		Pending
18	PENDING	A	Consulting Services - Finalize Mercer Contract	07/30/15		Pending
19	PENDING	A	Budget procedural revisions	07/31/15		Pending
20	PENDING	O	In-Plan Roth Conversion - Implementation	07/31/15		Pending
21	PENDING	O	Review Mortgage Loan Process	07/31/15		Pending
AUGUST 2015						
22	PENDING	G	Minutes - July 2015 Meeting	08/31/15		Pending
23	PENDING	G	Board Report - Staff Projects & Activities	08/31/15		Pending
24	PENDING	G	Board Report - DCP RFP Update	08/31/15		Pending
25	PENDING	G	Board Report - FDIC Provider Recommendation	08/31/15		Pending
26	PENDING	G	Board Report - Board Training Schedule	08/31/15		Pending
27	PENDING	G	Board Report - Pension Savings Plan Update	08/31/15		Pending
28	PENDING	G	Board Report - Draft PSP RFP	08/31/15		Pending
29	PENDING	G	Board Report - Staffing percentages and CAP Rates	08/31/15		Pending

30	PENDING	G	FY 2016-17 Travel Budget	08/31/15		Pending
31	PENDING	G	Board Report - Committee Assignment Preferences	08/31/15		Pending
32	PENDING	G	Quarterly Communications Update Report	08/31/15		Pending
33	PENDING	G	NAGDCA TRAVEL Update - Board Travel Guide	08/31/15		Pending
34	PENDING	G	Board Report - NSFRW 2015 Draft Survey	09/01/15		Pending
35	PENDING	A	FDIC Savings - Bank of the West Contract	08/31/15		Pending
36	PENDING	A	FDIC Savings - Union Bank	08/31/15		Pending
37	PENDING	C	Calculator Revisions	08/31/15		Pending
38	PENDING	C	In-Plan Roth Conversion - Info Flyer	08/31/15		Pending
39	PENDING	O	Participant Website - Alphanumeric Password Conversion	08/31/15		Pending
40	PENDING	O	Loan Default Reversal - Hold Harmless	08/31/15		Pending
SEPTEMBER						
41	PENDING	G	Minutes - August 2015 Meeting	09/30/15		Pending
42	PENDING	G	Board Report - 2014 PSP Annual Report	09/30/15		Pending
43	PENDING	G	Board Report - Staff Projects & Activities	09/30/15		Pending
44	PENDING	G	Board Report - NSFRW 2015 Update	09/30/15		Pending
UPCOMING						
45	PENDING	A	RFP - DCP/PSP Third Party Admin	TBD		Great-West contract expires 12/31/2016
46	PENDING	G	Board Report - Distributions & Contributions - Retirees who return to work	TBD		Pending
47	PENDING	G	Report back recapping presentation on Financial Wellness from Strategic Planning Meeting	TBD		Pending
48	PENDING	G	Letter to City Council re 10% Early Distribution Penalty	TBD		Pending
49	PENDING	G	Metrics Tracking Document	TBD		Pending
50	PENDING	G	PSP Program Review - Proposal for Terminated Accounts	TBD		Pending
51	PENDING	G	Loan Policy Document	TBD		Pending
52	PENDING	G	Board Report - Historical Contribution History	TBD		Pending
53	PENDING	G	Board Report - SAS Form	TBD		Pending

54	PENDING	G	Review of CA Governmental Plan - Demographic Files	TBD		Pending
55	PENDING	G	Board Report - Contractor Evaluation Policy	TBD		Pending
56	PENDING	G	Board Report - Retirement/Pension System Retired Loan Payments	TBD		Pending
57	PENDING	G	Investments Committee Meeting: Investment Policy Review - Termination	TBD		Pending
58	PENDING	G	Board Report - Proxy Share Voting	TBD		Pending
59	PENDING	G	Research adding other Plan type in order to increase savings opportunities (from 8/21/12 BDCA meeting)	TBD		Pending
60	PENDING	G	Deemed IRA	TBD		Pending
61	PENDING	G	Auto-Glide Investment Allocations	TBD		Pending
62	PENDING	G	Board Report - Transition Manager Procurement	TBD		Pending
63	PENDING	G	Retirement Plan Summit	TBD		Pending
64	PENDING	G	Revisit Plan Audit	TBD		Pending
65	PENDING	G	Board Report - Social Media Options	TBD		Pending
66	PENDING	C	Revise Pension Savings Plan Highlights	TBD		Pending
67	PENDING	C	Letter Notification to Participants RE: Catch-Up Eligibility ("Attained Age Letters")	TBD		Pending
68	PENDING	C	EZ Enrollment Form	TBD		Pending
69	PENDING	C	2-Page IOAG format	TBD		Pending
70	PENDING	C	Enrollment Guide Revision	TBD		Pending
71	PENDING		Active-Retiree Loan Transfer Guide/Packet			
72	PENDING	C	New Brand Style Guide	TBD		Pending
73	PENDING	C	Design Templates - PowerPoint and Word	TBD		Pending
74	PENDING	C	Participant Survey Proposal - Plan Satisfaction	TBD		Pending
75	PENDING	C	Create Catch-Up Flyer Incorporating Roth & Revise Catch up Form/Flyer re Accrued Leave	TBD		Pending
76		C	DROP Options Guide update-revisions	TBD		Pending
77	PENDING	C	Website Tutorial/Education Videos	TBD		Pending
78	PENDING	C	Enrollment Form Revision Phase 2 (Auto escalation & PSP Rollover addition)	TBD		Pending

79	PENDING	C	DROP participant fee comparison graphic flier	TBD		Pending
80	PENDING	C	EZ Enrollment Form	TBD		Pending
81	PENDING	C	Draft Citywide Memo re Marketing by Non-Contracted Financial & Benefit Services Providers	TBD		Pending
82	PENDING	C	Loan Highlights Flier Revisions	TBD		Pending
83	PENDING	C	Revise Distribution Form	TBD		Pending
84	PENDING	C	Roth 457 Intro Guide Revise/Redesign	TBD		Pending
85	PENDING	C	DCP Glossary	TBD		Pending
86	PENDING	C	Communications Plan: List of alternative DC publications and outlets (LACERS, Pensions, Union pubs, etc.)	TBD		Pending
87	PENDING	O	Catch-Up Unused Amount Calculation - Memo to Controller	TBD		CU Unused Amount Reporting - Ticket submitted to Controller.
88		O	Catch Up Contribution changes allowed online	TBD		Pending
89	PENDING	O	PSP Account Consolidation	TBD		Pending
90	PENDING	O	Domestic Partners Research and Review with City Attorney and California Peers	TBD		Pending
91	PENDING	O	Online Enrollment Functionality	TBD		Pending
92	PENDING	O	Pre-Audit Testing - Phase II	TBD		Pending
93	PENDING	O	PST Retroactive Adjustments - Meeting w/ LACERS & Controller	TBD		Pending
94	PENDING	O	DCP Workprocesses Review & Documentation	Ongoing		Pending

BDCA 2015 AGENDA TOPICS

	Administrative Issues	Presentations/Training
July	Brown Act & Bylaws	
	DCP TPA - RFP Development	
	Targeted Enrollment Campaign Update	
	Auto-Enrollment Program Update	
	Procurements & Contracts Update	
August	FDIC Provider Recommendation	Quarterly Investment & Economic Review
	Proposed 2015 NSFRW Promotion	
	Quarterly Communications Update	
	Auto-Enrollment Program Implementation Update	
	Staffing & CAP Rate	
	FY 2016-17 Travel Budget	
	Board Training Recommendation	
	Pension Savings Plan Update	
September	Auto-Enrollment Program Implementation Update	TPA/Plan Statistics Review
	2015 NSFRW Update	
	PSP 2014 Annual Report	
	Plan External Tax Counsel - Funding	
	Quarterly Reimbursements ending 3/31/15	
	Quarterly Reimbursements ending 6/30/15	
October	Quarterly Contracts Update	Fund Mgr Presentation - Stable Value & Active Bond
	2015 NAGDCA Conference Review	
November	Quarterly Reimbursements ending 9/30/15	Quarterly Investment & Economic Review
	Quarterly Communications Update	
December	2015 NSFRW - Summary & Review	TPA/Plan Statistics Review