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DEFERRED COMPENSATION PLAN BOARD REPORT 08-46



Date: November 6, 2008
To: Board of Deferred Compensation Administration
From: Staff
Subject: Russell 2000 Index Fund

Recommendation:

That the Board of Deferred Compensation Administration approve the re-selection of State Street Global Advisors as the Plan's Russell 2000 Index Fund manager.

Discussion:

The Board's consultant, Mercer Investment Consulting, has completed its review of responses received to the Plan's August 22, 2008 RFP for a Russell 2000 Index Fund manager (see attached). Two responses were received, from BlackRock and State Street Global Advisors ("State Street"). Both firms were found to be compliant with the City's Standard Provision requirements. State Street scored highest on the evaluation criteria included within the RFP.

State Street is the incumbent provider for this option and its pricing was lower than BlackRock's. Given the evaluation and scoring results, it is staff's recommendation that State Street be re-selected as the provider for the Deferred Compensation Plan's Russell 2000 Index Fund.

Submitted by:

Steven Montagna

Approved by:

Maryanne Keehn