

DEFERRED COMPENSATION PLAN BOARD REPORT 09-53

Date: November 18, 2009
To: Board of Deferred Compensation Administration
From: Staff
Subject: California Defined Contribution Network

Members
Eugene K. Canzano, Chairperson
Richard Kraus, Vice-Chairperson
Shelley Smith, First Provisional Chair
Sally Choi, Second Provisional Chair
Maggie Whelan, Third Provisional Chair
Sangeeta Bhatia
Cliff Cannon
Michael Perez

Recommendation:

That the Board of Deferred Compensation Administration approve the necessary funding for one staff member to attend a proposed meeting of the California Defined Contribution Network in Sacramento, California, March 23-24, 2010.

Discussion:

At this year's National Association of Government Defined Contribution Administrators (NAGDCA) Conference in Austin, Texas, staff held informal discussions with representatives of several large California defined contribution plans regarding the feasibility of creating a state network to explore common issues. There was significant enthusiasm for this concept and discussions continued after the conference. In addition to the City, the group now includes representatives from the County of Los Angeles, State of California, City/County of San Diego, and City/County of San Francisco. The group has tentatively named itself the California Defined Contribution Network ("Cal-Net").

Cal-Net members have discussed the possibility of holding annual meetings roughly six months following each year's NAGDCA Conference. To facilitate communication, the group has elected to limit attendance at its kickoff meeting to plans with assets in excess of \$500 million and to include only the program manager for each entity. The first such meeting is proposed for March 23-24, 2010, in Sacramento, California.

The tentative list of topics on our agenda include the following:

- Auto enrollment and State law
- Asset Allocation Funds
- Stable Value Funds
- Domestic partner benefits
- Deemed IRAs
- Communication Strategies
- FDIC insured Investments

Staff believes participation in this group provides opportunities for acquiring best practice information from entities with similar administrative challenges, and this

information can potentially be used to improve the City's Deferred Compensation Plan. In addition, participation may also lay the groundwork for program staff, in conjunction with their respective governance structures, to develop common positions on issues benefiting their membership. Participation in this group is intended to supplement, not replace, participation in NAGDCA.

Staff is requesting funding for the City Plan's program manager to attend this meeting. Following is an estimate of the costs of attending:

Expense	Amount
Airfare	\$ 150
1-Night Hotel	\$ 150
Ground transportation & Incidentals	\$ 50
Total-->	\$ 350

Upon return from this meeting staff would prepare a report to the Board summarizing the results of the meeting and indicating any potential action items that might arise from it.

Submitted by: _____
Steven Montagna

Approved by: _____
Alejandrina Basquez