

Deferred Compensation Plan BOARD REPORT 11-63

Date: August 30, 2011
To: Board of Deferred Compensation Administration
From: Staff
Subject: Shared Communications Materials

*Board of Deferred
Compensation Administration
Eugene, Canzano, Chairperson
John Mumma, Vice- Chairperson
Cliff Cannon, First Provisional Chair
Tom Moutes, Second Provisional Chair
Sangeeta Bhatia, Third Provisional Chair
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Michael Perez
Robert Schoonover
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Recommendation:

That the Board of Deferred Compensation Administration authorize sharing of Roth communication materials with other defined contribution plan sponsors interested in using them.

Discussion:

Staff recently received an inquiry from Mark Manion, program administrator for the State of Minnesota Deferred Compensation Plan, regarding the City's Roth communication materials. Mr. Manion indicated to staff that he'd had the opportunity to review the City's Roth materials as part of his duties on the Conference Planning Committee for the National Association of Governmental Defined Contribution Administrators (NAGDCA). He further indicated that both he and his Board were impressed with the materials and were interested in using them in the State's Plan. Staff thanked him for his interest and indicated it would research the matter.

In considering the request, staff first wanted to clarify who possessed ownership rights for Plan materials, since they were developed jointly by staff (which drafted the copy), Mercer (which developed the artwork and design) and Great-West (which provided editing and final layout). Both Great-West and Mercer confirmed that any communication materials they develop for the City's Plan belong exclusively to the Plan. Thus, it is a Plan decision as to whether to share those materials with other entities.

Staff communicated this to Mr. Manion and informed him that the decision to share Plan communication materials was one that should be addressed by the Board. He replied that it wasn't his intention to create additional work for the City's Plan and would withdraw his request. Staff indicated that while that gesture was appreciated, the issue was a valuable one and staff would go forward to the Board in any event, since it could potentially apply to other plans. It is not clear at present whether the State of Minnesota would continue to want to use the City's Roth materials if they were made available.

Staff supports sharing the character icons and copy developed for the Roth campaign with other Plans. One of the concepts explored recently in the California Defined Contribution Plan Network (CA-DCPN) is the potential for leveraging the network to engage in common efforts where resources can be shared and efficiencies realized. As an example, it is not difficult to envision future projects where the group commits equal resources and shares in the ability to use a common communication piece. This kind of cooperation may result in reduced costs

and expanded utilization of best practices. The principle could be extended beyond CA-DCPN.

Since such a concept would need time and experience to develop, staff recommends that the Board, as a goodwill gesture for this particular project and in support of longer-term potential opportunities, authorize sharing of Roth communication materials with other defined contribution plan interested in using them. This would apply to the State of Minnesota if they continue to be interested and/or to other plans as well. In the event that the concept of shared communication materials gains momentum in the future, staff would develop recommended structure for sharing development costs with other plans for common projects.

Submitted by: _____
Steven Montagna