

Deferred Compensation Plan BOARD REPORT 10-28

Date: August 9, 2010
To: Board of Deferred Compensation Administration
From: Staff
Subject: Investment Menu Consolidation

*Board of Deferred
Compensation Administration
Eugene, Canzano, Chairperson
Richard Kraus, Vice- Chairperson
Sangeeta Bhatia
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Recommendation:

That the Board of Deferred Compensation Administration (a) adopt a composition structure for the Deferred Compensation Plan core International Fund; and (b) refer to the Investments Committee development of an implementation plan for approved core menu changes.

Discussion:

At the Board's April 20, 2010 meeting, staff and the consultant presented a report and related information regarding work of the Investments Committee in recommending changes to the Deferred Compensation Plan core investment menu. The Board adopted composition structures for the Plan's Large-Cap Stock Fund and Bond Fund. Discussion of the remaining asset classes (Mid-Cap, Small-Cap, and International Funds) was deferred to the following month due to the length of the meeting.

At the Board's May 18, 2010 meeting, the Board adopted a composition structure for the Plan's Small-Cap Fund. Additional information was requested from the consultant regarding the Mid-Cap and International stock fund categories. At the Board's June 15, 2010 meeting, the Board adopted a composition structure for the Plan's Mid-Cap Fund. At the Board's July 20, 2010 meeting the Board considered various options for structuring a core International fund and requested additional information regarding a blended structure including developed markets, emerging markets and small-cap markets.

Attached to this report is the consultant's report regarding the International Fund. This option represents the final category for the revised investment menu.

Following Board action on this option, staff is recommending that the Board refer to the Investments Committee development of an implementation plan for approved core menu changes. That plan should address issues including communication to Plan participants, procurement, and timing of transition of any eliminated funds.

Submitted by: _____
Steven Montagna

Approved by: _____
Alejandrina Basquez