

PLAN GOVERNANCE & ADMINISTRATIVE ISSUES COMMITTEE COMMITTEE REPORT 09-02



Date: June 16, 2009
To: Plan Governance & Administrative Issues Committee
From: Staff
Subject: Participant Survey Policy

Committee Members
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Recommendation:

That the Plan Governance and Administrative Issues Committee recommend to the Board a policy for the Plan to a) conduct broad-based participant surveys once every three years, with the next such survey occurring in 2011; and b) conduct more limited ad hoc surveys or alternate means of obtaining participant feedback on an as needed basis using methods including but not limited to focus groups and statistically representative samples.

Discussion:

At the April 21, 2009 meeting, the Board of Deferred Compensation Administration requested that the Plan Governance and Administrative Issues Committee create a formal policy building on the language provided in the City Administrative Code regarding how frequently Plan participants should be surveyed. The City Administrative Code states that "the Plan shall periodically [conduct] representative sample surveys of Plan Participants to determine member satisfaction, complaints, ideas for improvement of the Plan, and to obtain similar information." The Plan last surveyed participants in 2008 and before that in 2005. The Plan has thus been meeting this Administrative Code requirement, however staff agrees that a more formal and defined schedule would be appropriate and demonstrate responsiveness to participants.

Staff contacted some of large state/local government peers to find out how they approached surveys and a found a broad range of responses. Interestingly, not all of what would be considered our most prominent peers conduct surveys. Following are the results:

- City of New York indicates it does not survey its participants.
- The State of California has not surveyed its participants in the past but are looking at doing so in the future.
- The County of San Diego conducts yearly surveys but not to its entire population, only a statistically representative sample.

- The County of Los Angeles conducts approximately three participant satisfaction surveys over a five-year period using a variety of methods including mailed surveys, online surveys, and focus groups.
- The County/City of San Francisco conducts online surveys annually.

Notwithstanding the fact that some of our large peers do not conduct surveys, and even absent the Administrative Code requirement for surveys, staff believes it is appropriate for the Plan to have a policy to conduct broad-based participant surveys on a regular basis (specifically, once every three years beginning in 2011). Surveys serve more than one function. Not only are they a means of obtaining information from participants, they are a mechanism to communicate information to participants as well. The Investments Survey conducted by the Plan last year is a prime example of this. The survey was used as a first introduction to participants of some fairly complex information that the Board was considering. Having said, this, however, staff recommends that the Plan not conduct these broad-based surveys more often than biannually given the considerable development time required.

Should there be other issues that arise in between these surveys, staff recommends that the policy also allow the Board the option of conducting more limited or targeted surveys on an ad hoc basis in order to obtain participant feedback on various issues. Examples of this would be the survey conducted in 2002 of participants in the Self-Directed Brokerage Option, and focus groups conducted in 2007 to assess the effectiveness of new fee disclosure communication materials.

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