

**MEMO# 24212**

April 5, 2010

## **ICI Submits Target Date Fund Tool for Plan Sponsors to DOL**

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TO: PENSION COMMITTEE No. 7-10  
PENSION OPERATIONS ADVISORY COMMITTEE No. 6-10    RE: ICI SUBMITS TARGET DATE  
FUND TOOL FOR PLAN SPONSORS TO DOL

The Investment Company Institute (jointly with the American Benefits Council) submitted to the Department of Labor on March 30 a tool the organizations developed together to assist fiduciaries of defined contribution plans with the selection and monitoring of target date funds. DOL has stated it intends to publish guidance for plan fiduciaries on target date fund selection and monitoring soon. The tool and cover letter to DOL are attached.

The fiduciary responsibility of plan sponsors for selecting and monitoring target date funds under ERISA is the same as that applicable to the selection and monitoring of other plan investments. Therefore, the tool – a list of potential items for fiduciaries to consider when selecting and monitoring target date funds – focuses on items uniquely relevant to a fiduciary's consideration of target date funds (e.g., asset allocation and glide path). The tool generally does not address questions that typically are relevant to the selection of any investment in a defined contribution plan.

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Associate Counsel

[Attachment](#)

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