

IDC UPDATE

May 8, 2024

IDC Update: April 25, 2024

DOL Releases Final Fiduciary Investment Advice Package

The Department of Labor released its final fiduciary investment advice package this week. The package includes an amendment to the regulation defining who is a “fiduciary” under ERISA and the Internal Revenue Code as a result of providing investment advice to a retirement investor. Like the proposal, the final package also includes amendments to prohibited transaction exemptions (PTEs), which provides relief for investment advice fiduciaries to receive certain compensation that otherwise would be prohibited. The amendment affects participants and beneficiaries of employee benefit plans, individual retirement account (IRA) owners, and fiduciaries with respect to such plans and IRAs, as well as others who provide products or services to plans and IRAs. DOL did make several changes to the package that are responsive to issues ICI raised in its [comment letter](#). We are reviewing the final rule, bearing in mind the concerns raised with the agency that it may raise costs and interfere with middle-class savers’ access to the guidance, products, and innovative tools they rely on to meet their retirement goals.

PCAOB Proposes Audit Firm Metrics Reporting

On April 9, 2024, the Public Company Accounting Oversight Board (PCAOB) released for public comment a [proposal](#) that would mandate registered public accounting firms disclose both firm- and engagement-level metrics, which, it reasons, could then be used by investors, audit committees, and other stakeholders. Consistent with IDC recommendations provided to PCAOB in response to its [2015 concept release on audit quality indicators](#), the proposal excludes audits of investment companies. The release notes that the Board is considering “more customized disclosures better suited” to issuers such as funds. The deadline for comments on the proposal is June 7, 2024.

Recording Available: IDC Webinar on Board Oversight of Operational Risk

IDC held a webinar on April 16 on Board Oversight of Operational Risk. Independent Trustee Andy Iseman (Pacific Select Fund) moderated a discussion with Kelly O'Donnell (ICI) and Natalie Wagner (Natixis Loomis), offering insights into operational risks associated with service provider oversight, risk assessments of cyber and privacy programs by fund management, and more. A recording is available [HERE](#) (login required).

Register Today for the 2024 Fund Directors Workshop - May 21-23

Registration is open for the [2024 Fund Directors Workshop](#) (Tuesday, May 21 – Thursday, May 23) at the JW Marriott in Washington, DC, held in conjunction with ICI's Leadership Summit. Join fund directors for unique networking opportunities, including breakfast with peer-to-peer discussions on strategic priorities of fund boards, and timely, insightful

programming on key subjects relevant to fund directors such as “Board Oversight of ETF Developments” and “The Modern 15(c) Process: Considerations for Fund Boards.” Conference registration may be accessed [HERE](#).

Registration Open for IDC’s Webinar on the Nuts and Bolts of Artificial Intelligence: A Primer for Fund Boards

Join IDC on **Wednesday, May 1**, from 2:00 to 3:15 p.m. ET for a Primer for Fund Boards on the Nuts and Bolts of Artificial Intelligence (AI). David Blass (Partner, Simpson Thacher) will moderate a discussion with Samantha Kappagoda (Independent Director, Credit Suisse Mutual Funds, and Chief Data Scientist, Numerati Partners LLC) and Tim Persons (Principal, Digital Assurance and Transparency, PwC). Speakers will provide a high-level overview of AI and then discuss the fund industry’s approach to the use of AI and its potential implications for the oversight role of fund directors. Please register [HERE](#).

Registration Available for Chapter Meetings in Ohio, Denver, Chicago, and Washington, DC

IDC’s chapter meetings are informal and interactive gatherings for independent and interested fund directors. They are free and open to directors of member funds. Chapter meetings are an ideal opportunity to engage in peer-to-peer discussions relating to your roles as fund directors. Chapter meetings also address governance practices, policy developments, and other current topics relevant to fund boards. *The following chapter meetings are currently open for registration.*

IDC will hold its meeting for fund directors based in **Ohio** on **Tuesday, April 30**, at PricewaterhouseCoopers’ office in Columbus, Ohio (41 S. High Street, Ste. 2500, Columbus, OH 43215). We will be joined by three representatives of PwC: David Trerice, Asset and Wealth Management Governance Leader; Declan Byrne, Mutual Fund Research and Analytics Leader; and Melissa Chorey, Assurance Partner. Please register [HERE](#).

IDC will hold its meeting for fund directors based in **Denver** on **Tuesday, April 30**, at Charles Schwab in Lone Tree, Colorado (9899 Schwab Way, Lone Tree, CO 80124). Please register [HERE](#). For those directors interested, ICI and the Denver Area 1940 Act Group will hold a networking event celebrating the 100th anniversary of the mutual fund at 3:00 p.m. at the same location. You can register for the latter event [HERE](#).

IDC will hold its meeting for fund directors based in **Chicago** on **Wednesday, May 8** at Northern Trust (333 South Wabash Avenue, Chicago, IL 60604). We will be joined by guest speakers Angelo Manioudakis, Global CIO, Northern Trust Asset Management, and Darek Wojnar, Senior Advisor, Registered Funds, Northern Trust Asset Management. Please register [HERE](#).

IDC will hold its meeting for fund directors based in **Washington, DC** on **Tuesday, May 21** at IDC’s Office (1401 H St NW, 1st Floor Conference Center). Please register [HERE](#).

Please see below for the dates of other regional chapter meetings in 2024.

Join Director Network

Built through a partnership with [Diligent](#), the fund director candidate database within the Director Network is designed to help boards of mutual funds, exchange-traded funds (ETFs), and other registered funds find diverse, board-ready candidates. Director Network is complimentary for the IDC community. Profile owners can search for candidates, post open

board positions, and search for open board positions. [Create your profile today](#) and begin exploring. Already a member and would like a tutorial or more information? Contact [Scott Wilson](#) on the IDC Team.

Mark Your Calendar for Upcoming Events

All times are shown in eastern time (ET), unless otherwise noted.

IDC Conferences

2024 Schedule

- [Fund Directors Workshop, May 21-23 \(Washington, DC\)](#)
- Fund Directors Conference, October 21-23 (Chicago, IL)

2025 Schedule

- Fund Directors Workshop, April 30-May 2 (Washington, DC)
- Fund Directors Conference, October 27-29 (Scottsdale, AZ)

Webinar

- [The Nuts and Bolts of AI: A Primer for Fund Directors, May 1, 2:00 p.m.](#)

Chapter Meetings

- [Ohio, April 30, 10:00 a.m.](#)
- [Denver, April 30, 10:00 a.m. \(MT\)](#)
- [Chicago, May 8, 10:00 a.m. \(CT\)](#)
- [Washington, DC, May 21, 10:00 a.m.](#)
- Boston, September 12, 10:00 a.m.
- New York, September 18, 10:00 a.m.
- Philadelphia, September 24, 10:00 a.m.
- Northern California, December 12, 10:00 a.m. (PT)

Industry Segment Meeting

- Audit Committee Chairs, May 14, 2:00 p.m.

A list of [IDC events](#) can be found on IDC's website. Please contact [Paul Mussoni](#) for additional information.

In Case You Missed Recent IDC Webinars or IDC Update Editions

Be sure to check out our recent webinars available on-demand:

- [Board Oversight of Operational Risk](#)
- [The Fund Compliance Rule at 20: Looking Back and Looking Ahead at Compliance Oversight](#)
- [SEC Examination and Enforcement Priorities](#)

To access all of IDC's archived content, please click [here](#).

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