

IDC UPDATE

December 3, 2024

IDC Update: November 14, 2024

Registration Open: IDC Compliance Oversight Peer Group Meeting and Industry Segment Meeting for BDCs

IDC will hold its next meeting for fund directors focused on Compliance Oversight on **Wednesday, November 20 at 2:00 p.m. ET**. The **Compliance Oversight Peer Group Meeting** will be led by John Boyer, Compliance Committee Chair of Voya Funds.

Registration is limited to one representative per fund board. If your board would like to participate in the Compliance Oversight Peer Group Meeting and has not already identified a representative, please email Nicole Baker (Nicole.baker@ici.org). A registration link will be sent to designated board representatives shortly.

IDC will also hold its next Industry Segment Meeting for **directors of BDCs** on **Thursday, November 21 at 1:00 p.m. ET**. This meeting will be led by Susan McGee, Independent Director of Goldman Sachs BDC. Register [HERE](#). We will be joined by Bryan Morris, Partner, Investment Management Practice, Deloitte & Touche LLP, who will discuss board oversight considerations for alternative investments.

SEC's Division of Examinations Publishes Risk Alert Addressing its Review of Fund Governance Practices

Recently, the Securities and Exchange Commission's (SEC) Division of Examinations (Division) published a [Risk Alert](#) on its "Review of Certain Core Focus Areas" of registered funds, including compliance programs, disclosures and filings, and governance practices. Deficiencies or weaknesses observed by the staff with respect to fund governance practices included a) board approvals of advisory agreements that appeared inconsistent with the Investment Company Act and/or the funds' written compliance procedures; b) boards that did not receive certain information to effectively oversee fund practices, including illiquid investments and changes to funds' compliance programs; c) boards that did not perform certain required responsibilities and did not adopt written policies and procedures tailored to the funds' operations; and d) board minutes that did not fully document board actions.

Registration Open for IDC's *Foundations for Fund Directors*® Program on December 4-5 (Virtual)

Registration is open for IDC's next *Foundations for Fund Directors*® [orientation program](#), which will be held virtually on **Wednesday, December 4** and **Thursday, December 5**. Designed for current independent directors with up to five years of experience, *Foundations for Fund Directors*® serves as the definitive orientation program to get directors up to speed on their roles through two days of hands-on exercises in a small group setting. Several experienced independent directors will facilitate discussions focusing on guiding principles for director oversight; oversight of investment management and performance,

compliance, and risk management; and advisory contract review. Hallmark features of the program include its in-depth, interactive case studies on directors' responsibilities and their role as fiduciaries. Participation is limited to fund directors of member funds. Please register [HERE](#).

Join Other Fund Directors at IDC's Fall Chapter Meetings in Northern California and Florida

IDC's chapter meetings are informal and interactive gatherings for independent and interested fund directors. They are 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 **Northern California Chapter Meeting** will be held on **Thursday, December 12** at Allspring Global Investments (525 Market Street, 12th Floor, San Francisco, CA 94105). We will be joined by Katie D'Angelo, Head of Global Relationship Management, Intermediary Sales, of Allspring Global Investments. You can register [HERE](#).

IDC will hold two **Florida Chapter Meetings** in early 2025. The west coast chapter meeting will be held on **Tuesday, February 18** at the Country Club of Naples (185 Burning Tree Drive, Naples, FL 34105). You can register [HERE](#). The east coast chapter meeting will be held on **Thursday, February 27** at the Country Club at Mirasol (11600 Mirasol Boulevard, Palm Beach Gardens, FL 33418). You can register [HERE](#).

In addition, IDC sent out a **survey of potential 2025 Chapter Meeting dates** to those directors living in regions with upcoming meetings. *Please fill out that survey at your earliest convenience.* If you live in a region with a chapter meeting and did not receive a survey, please contact idc@ici.org.

IDC Hosts Webinar on 2024 Post-Election Insights: Implications for Fund Boards and the Asset Management Industry

Earlier today, IDC hosted a webinar featuring ICI's Chief Government Affairs Officer, John Emling. This webinar, moderated by Dawn Vroegop (Independent Director, Brighthouse Funds), provided an overview of the election landscape and addressed the potential impact of the election, both presidential and congressional, on the work of fund boards and the asset management industry. A recording will be available in about a week.

Recording Now Available; IDC Speaker Series: A Conversation with Kathy Sullivan

The recording of IDC's most recent Speaker Series event is now available on the IDC website. If you missed the live conversation between Kathy Sullivan and Heather Brilliant, you can view the recording [HERE](#) (login required). Listen to Kathy describe some of the leadership lessons she learned as an astronaut and first woman to walk in space, as well as an explorer who has descended to the depths of the Mariana Trench.

SEC Brings Enforcement Action Against Investment Adviser for Making Allegedly Misleading ESG Disclosures

Recently, the SEC brought an [enforcement action](#) against an investment adviser for making allegedly misleading statements about the percentage of its (and its affiliates') assets under management (AUM) that was "ESG integrated" (i.e., the investment decision processes incorporated environmental, social, and governance (ESG) considerations). The

SEC found that the adviser claimed that 70-94% of its AUM was ESG integrated during the relevant period. However, these figures included passive ETFs, “which was misleading as many of the ETFs could not consider ESG factors in making investment decisions because they were passive strategies that did not follow an ESG-related index.” In addition, according to the SEC, the adviser did not have written policies and procedures explaining how it would determine the percentage of firmwide AUM that was ESG integrated.

Mark Your Calendar for Upcoming Events

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

IDC Conferences

2025 Schedule

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

Foundations for Fund Directors®

- [December 4–5 \(Virtual\)](#)

Chapter Meetings

- [Northern California, December 12, 10:00 a.m. \(PT\)](#)
- [Naples, Florida, February 18, 2025, 10:00 a.m.](#)
- [Palm Beach Gardens, Florida, February 27, 2025, 10:00 a.m.](#)

Industry Segment Meetings

- Compliance Oversight Peer Group, Wednesday, November 20, 2:00 p.m.
- [Directors of BDCs, Thursday, November 21, 1:00 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:

- [IDC Speaker Series: A Conversation with Kathy Sullivan](#)
- [Recent Litigation Shaping Regulatory Agencies—What Boards Should Know](#)
- [The Nuts and Bolts of AI: A Primer for Fund Directors](#)

To access all of IDC’s archived content, please click [here](#) (login required) for full access.