

TRAINING POLICY

*The State of Delaware Deferred Compensation Plans
Under IRC §§ 457(b), 403(b) and 401(a)*

*The State of Delaware College Investment Plan under
IRC § 529*

The State of Delaware ABLE Plan under IRC § 529A

Approved on [DATE]

By the Delaware Plans Management Board

I. The Plans Management Board and Its Committees

The Plans Management Board (the “Board”) oversees and administers the State of Delaware (the “State”) deferred compensation program authorized under chapter 60A of title 29 of the Delaware Code (the “DC Program”). The DC Program encompasses three distinct deferred compensation plans authorized under the Internal Revenue Code (“IRC”): (a) the State’s deferred compensation plan under IRC § 457(b); (b) the State’s tax-sheltered annuity plan for certain education employees under IRC § 403(b); and (c) the State’s employer match plan under IRC § 401(a). The Board also oversees and administers the State’s college investment plan under IRC § 529 authorized by subchapter XII, chapter 34 of title 14 of the Delaware Code and the State’s Achieving a Better Life Experience (“ABLE”) program under IRC § 529A authorized by chapter 96A of title 16 of the Delaware Code (the foregoing are referred to herein collectively as the “Plans”).

In February 2018, as memorialized in Resolution No. 2018-1 (the “Resolution”), the Board dissolved its existing Plan-based committee structure and adopted a new committee structure based on committee function. Pursuant to the Resolution, the Board created a standing Audit and Governance Committee and vested it with initial responsibility for all audit-related matters, potential Plan amendments, Plan-related cybersecurity issues, and such other audit or governance matters pertaining to the Plans as may be referred by the Board. The Resolution also memorialized the Board’s establishment of a standing Investment Committee, which has been vested with initial responsibility for all investment-related matters, including policies related to potential Plan amendments, Plan-related investment policy statements, and such other investment committee matters pertaining to the Plans as may be referred by the Board.

II. Office of the State Treasurer

The Office of State Treasurer (“OST”) provides administrative support for the Board and its committees in accordance with *29 Del. C. § 2722(g)*.

III. Statement of Purpose and Scope

Board and committee members are Plan fiduciaries with duties to act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would in overseeing the Plans. This Policy is designed to ensure that Board and committee members understand their fiduciary and other legal obligations and obtain and maintain the level of knowledge and expertise needed to oversee the administration of the Plans.

IV. Periodic Training

Each Board and committee member shall participate in periodic training as set forth in this Policy and as otherwise prescribed by the Board.

OST shall arrange for and facilitate recurring training sessions on the following topics: (a) fiduciary duties and best practices, (b) the State’s Code of Conduct, and (c) the State’s Freedom of Information Act, *29 Del. C. §§ 10001-10007* (“FOIA”), and Public Records Law, *29 Del. C. §§ 501-526* (“PRL”). OST shall also arrange for and facilitate any additional training sessions as

directed by the Board. Training sessions for fiduciary duties and best practices and the State's Code of Conduct shall be conducted as needed to address new court decisions, changes in law or evolution of accepted practices but no less than every two (2) years. Training sessions for FOIA, PRL and other topics shall occur as needed to address new court decisions, changes in law or evolution of accepted practices but no less than every four (4) years. To the extent feasible, all such training sessions shall be recorded. Video recordings are preferred. All training-related recordings and written training materials shall be preserved in accordance with the PRL and applicable retention schedules.

OST and its staff, with the assistance of legal counsel and the Board's independent investment consultant, shall on an ongoing basis monitor legal developments and changes in best practices and periodically report to the Board concerning the need for training sessions. Periodically, the Board will provide advance approval of specific training topics and the scheduling thereof.

Unless otherwise directed by the Board, (a) fiduciary training will be provided by outside tax counsel and/or the Board's independent investment consultant, (b) Code of Conduct training shall be provided by counsel for the Public Integrity Commission, and (c) FOIA and PRL training will be provided by the Deputy Attorney General assigned to OST. The Board shall approve the providers of any additional training.

Scheduled training sessions are mandatory for appointed Board and committee members and designees of ex officio members. Ex officio members are encouraged to attend. Appointed members or designees who are unable to participate in a mandatory training session as scheduled must promptly coordinate with OST to review the session recording and related training materials and confirm in writing to OST when such training has been completed.

V. Onboarding and Board Resources Program

New members and designees shall participate in an orientation program facilitated by OST. The orientation program will, at a minimum, include the following topics and documents:

- A brief history and overview of the Board;
- A brief history and overview of the Plans;
- The Board's statutory authority and duties;
- The standing authority of the committees;
- A list of Board policies;
- A list of the primary Plan documents and agreements;
- A list of the names and email addresses for all members and designees;
- The current schedule of Board and committee meetings;
- Instructions on how to access Plan-related resources;
- Instructions on how to access agendas and meeting materials; and
- Any other relevant information or documents deemed appropriate by OST.

In addition to the foregoing, OST will provide all new members/designees with copies of the most recent written training materials for the topics identified in Section IV above and access to the audio or video recordings, if available, from such sessions. New members/designees must promptly coordinate with OST to review the training materials and confirm in writing to OST when such review has been completed. Notwithstanding the foregoing, new members/designees may delay orientation training for a particular topic if a new training session on that topic is scheduled to occur prior to the new member/designee's second quarterly committee or Board meeting.

VI. MISCELLANEOUS PROVISIONS

This Policy shall be binding on Board and committee members and designees and shall remain in effect until amended by the Board. The Board shall have full and complete discretion as to the interpretation of this document and its application to a specific situation. Nothing contained herein shall provide to any participant, beneficiary or any other party the right to enforce the terms of this Policy.

Adopted by the Delaware Plans Management Board this ____ day of ____, 2020, as evidenced by the signature of the Board Chair, as attested below.

[____], Chair

ATTEST:

Colleen Davis, State Treasurer