

INVESTMENT COMMITTEE MEETING

FEBRUARY 2022



- Discussion and Vote on Recommendation Regarding 2022 Committee Goals



PLANS MANAGEMENT BOARD STRATEGIC OBJECTIVES





1 INCREASE PARTICIPATION

Goal One – **Build Upon the Enrollment Growth Momentum**

Goal Two – **Analyze the Opportunity to Allow Casual/Seasonal Employees to Contribute**

Goal Three – **Explore Auto-Enrollment Opportunities for Deferred Compensation Plans**

Goal Four – **Support Efforts to “Unfreeze” the 401(a) Match Plan**

2 REVIEW INVESTMENTS AND GROW ASSETS

Goal One – **Review and Broaden Tier Two Core Investment Options**

Goal Two – **Explore Environmental, Social, and Governance (ESG) Investment Offering**

Goal Three – **Promote Account Consolidations**

Goal Four – **Investigate the Benefits of Offering Flat vs Percentage Based Deferrals**

3 ENHANCE PLAN OPERATIONS

Goal One – **Improve Existing Internal Controls and Operating Efficiencies**

Goal Two – **Increase Beneficiary Designation Rate**

Goal Three – **Continue to Strengthen Oversight with Board and Committees**

Goal Four – **Enhance Retiree Experience**

• *Green font represent “always on” efforts*

Focus Timeline

2021

- ✓ *Build on enrollment growth*
- ✓ *Promote account consolidations*
- ✓ *Increase beneficiary designation rate*
- ✓ *RFP for Plan*

2022

- *Improve existing controls*
- *Enhance retiree experience (SVD)*
- *Review and broaden Tier Two Investments*
- *Explore ESG investment offerings*
- *Flat vs fixed contribution research*
- *Oversight Fiduciary Training*

2023

- *Casual Seasonal Opportunity*
- *Auto-enrollment –Phase 1*

2024

- *Auto-enrollment*
- *Oversight Fiduciary Training*





① GROW ACCOUNTS

Goal One – Further Optimize Fidelity Marketing and DE529 Plan Marketing Spend

Goal Two – Test and Implement a Match Incentive Program

Goal Three – Establish Partnerships with Top Three Birthing Hospitals in Delaware

Goal Four –Partner with Delaware Public Schools

Goal Five –Workplace Messaging

② INCREASE CONTRIBUTIONS

Goal One – Support HB145 Tax incentive legislation for Delaware residents

Goal Two – Test and Implement a Match Incentive Program

Goal Three –Collaborate with Fidelity on Gifting Tool Promotion and Employer Contributions

③ BUILD TOP TIER PLAN

Goal One – Create a “State Collective” of Fidelity 529 Plans

Goal Two – Continue to Strengthen Oversight with Board and Committees

Goal Three – Implement Strategy for Administrative Fee Balances

Goal Four –Pass HB145 Tax Incentive

Goal Five –Scholarship Pilot (Foster Youth)

- *Green font represent “always on” efforts*

Focus Timeline

2021

- ✓ *RFP for Plan*
- ✓ *Rebranding of plan*

2022

- *Test Match Incentive Program*
- *Support HB145 Tax Incentive*
- *Top birthing hospital partnerships*
- *Implement strategy for administrative fee balances*
- *Scholarship Pilot*

2023

- *Workplace messaging/employer campaigns*
- *Match Incentive Program assessment*
- *Collaborate with Fidelity on workplace*
- *Promotion of gifting tool*
- *Host virtual “State Collective” Summit*
- *Scholarship Pilot*

2024

- *Morningstar Medal Assessment*
- *Scholarship Pilot*



2022 Goals

- Review Tier Two Investment Menu and Consider Expansion of Investment Options
- Consider Environmental, Social, Governance (ESG) Investment Options in Plans
- Review and document the selection of the Managed Account Service Provider and Self-directed Brokerage Provider
- Meet and review the provider of the target-date series offering
- Update deferred compensation investment policy statement (IPS) if any investment changes (ESG)
- Update education savings plan IPS for Stable Value Fund selection and monitoring criteria
- Decision on investment strategy for college administration fund
- Any other matters as requested by the Board



Recommend to approve Committee Goals for 2022