



## MEMORANDUM

To: Plans Management Board Members  
From: John Meyer, Director of Contributions and Plan Management  
Sent: December 5, 2023  
Subject: **December Meeting- Committee Reports and Action Items**

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The Plans Management Board (“Board”) will meet on December 5, 2023. The Board will receive reports from the Audit and Governance Committee (“AGC”), the Investment Committee (“IC”) and updates from the Office of State Treasurer (“OST”). The AGC assembled virtually on November 7, 2023. The AGC received updates on plan audit reports and reviewed a cyber security policy. The IC convened virtually on November 14, 2023. In addition to the quarterly investment reports presented by CAPTRUST, the IC discussed the investment policy statements for the deferred compensation and education savings plans, considered small balance IRA providers, and initiated discussion on the self-directed brokerage account tier. The committees and OST present the following items to Board:

### **Plan Audits**

Barbacane Thornton presented the final audit reports and financial statements for the 2022 457(b) plan, 401(a) plan, 403(b) plan, and the 529 college investment plan. The AGC accepted the reports and financial statements for the plans. Materials will be circulated electronically to Board members and physical copies will be available upon request.

Action Item: Motion to approve the recommendation to accept the audit reports for the 2022 457(b) plan, 401(a) plan, 403(b) plan, and the 529 education savings plan.

### **Cybersecurity Policy**

The AGC discussed the Board’s cybersecurity policy. The policy governs OST’s duties and responsibilities concerning cybersecurity for the plans. OST and vendors performing plan-related services may have additional duties and responsibilities under the Board’s vendor management policy. OST collaborated with the Department of Technology and Information (“DTI”), AGC member Mr. John Macedo and the Deputy Attorney General to draft the policy. The AGC recommends the Board adopt the [cybersecurity policy](#).

Action Item: Motion to approve the recommendation to adopt the Cybersecurity Policy.

### **IRA Provider for Involuntary Cash Outs (\$1,000-\$5,000)**

At the September 2022 meeting, the Board approved plan amendments for the 457(b), 403(b), and 401(a) plans relating to the involuntary distribution for terminated participants with balances between \$1,000- \$5,000. At the June 2022 meeting, the Board discussed Voya’s pricing proposal to lower the overall recordkeeping fee from the new rate of .00065% to .0006% if the plans enacted the involuntary distributions for balance between \$1,000 and \$5,000. Involuntary distributions for terminated participants with balances between \$1,000-\$5,000 need to be directed to an automatic rollover IRA service provider. The IC, in consultation with CAPTRUST and the Deputy Attorney General (“DAG”), has evaluated several providers. Providers have been reviewed for reasonable fees and prudent investment options. The IC is recommending that Voya be selected as the automatic IRA rollover service provider.

Action Item: Motion to approve the recommendation that Voya be utilized for automatic IRA rollover services for involuntary distributions for terminated participants with balances between \$1,000 to \$5,000 and direct OST to work with DAG to execute any necessary agreements and report back to the IC if needed.

### **Deferred Compensation and Education Savings Investment Policy Statements**

Pursuant to [Resolution 2018-01](#), the Board has delegated to the IC all matters relating to the investment policy statements (“IPSs”). Consistent with such duty, the IC shall periodically review the IPSs and make recommendations if changes are needed. The IC reviewed the investment policy statements for the [deferred compensation program](#) and the [education savings plan](#). The IC does not recommend any changes or amendments to the IPSs.

Action Item: No Board action required.

### **2023 Plans Administrative Budget**

In March 2023, the Board approved the administrative budget for the deferred compensation and education savings plans. Through November 2023, the plans have operated within overall budget expense parameters.

Action Item: No Board action required.

### **2024 Meeting Schedule**

The 2024 meeting schedule for the Plans Management Board and Committees can be found [here](#). OST will circulate calendar invites to members.

Action Item: No Board action required.