

## DELAWARE CASH MANAGEMENT POLICY BOARD

### RESOLUTION NO. 2023-[3] ADOPTING CERTAIN GOVERNANCE POLICIES

**WHEREAS**, pursuant to S.B. 316, as amended, which was signed into law and effective as of July 13, 1981 (63 *Del. Laws*, ch. 142, § 2, codified at 29 *Del. C.* § 2716), the Delaware General Assembly created the Delaware Cash Management Policy Board (the “**Board**”) to oversee, with certain limited exceptions, the investment and deposit of money belonging to the State or on deposit from its political subdivisions; and

**WHEREAS**, pursuant to Resolution No. 2023-[2] (the “**Charter Resolution**”), the Board recognized the prior formation of and memorialized charters for a standing investment subcommittee and a standing banking subcommittee (collectively, the “**Subcommittees**”) and vested them with the authority and duty to review and make recommendations to the Board with respect to their respective mandates, as detailed in the Charter Resolution.

**NOW, THEREFORE, BE IT RESOLVED** that the following PMB policies are adopted by the Board, subject to modification by majority vote of the current members of the Board, and shall govern the conduct of the Board and its members, the Subcommittees and their members, and the Office of the State Treasurer (“**OST**”):

**BE IT FURTHER RESOLVED** that the following governance policies are expressly approved and adopted by the Board:

- *Violations of the Code of Conduct.*

Members of the Board and the Subcommittees serve as “honorary state officials” within the meaning of the State Employees’, Officers’ and Officials’ Code of Conduct, 29 *Del. C.* §§ 5801-5810A (the “**Code of Conduct**”). *See* 29 *Del. C.* § 5804(6). Members are subject to the Code of Conduct and are personally responsible for complying with its provisions.

The Code of Conduct prohibits certain conduct involving conflicts of interest, including participating in a vote on a matter in which the honorary state official has a personal or private interest that may impair the person’s independence of judgment. *See* 29 *Del. C.* § 5805(a). Further, under the Code of Conduct, honorary state officials must pursue a course of conduct that will not raise suspicion among the public that such official is engaging in acts which are in violation of the

public trust, or which could reflect unfavorably upon the State and its government. *See 29 Del. C. § 5806(a).*

Violations of the Code of Conduct may be investigated by Counsel for the Public Integrity Commission (the “PIC”) and may be referred for disciplinary proceedings before the PIC. The PIC may, upon finding a violation, issue a written reprimand or issue a recommendation of removal. *See 29 Del. C. § 5810(d).* Violations involving knowing or willful participation in certain prohibited conduct may be referred for criminal prosecution. *See 29 Del. C. § 5805(f).*

Board members must participate in periodic training on the Code of Conduct, as prescribed by the Board.

A member, if in doubt about the propriety of a potential course of action, may seek an advisory opinion from the PIC or PIC Counsel as to the applicability of the Code of Conduct to any particular situation. *See 29 Del. C. § 5807(c).* A member may also request from the PIC a waiver of a specific prohibition of the Code of Conduct if the literal application of such prohibition in a particular case is not necessary to achieve the purposes of the Code of Conduct or would result in an undue hardship, including an undue hardship on the Commission. *See 29 Del. C. § 5807(a).* Any person who acts in good faith reliance upon an advisory or waiver decision is not subject to discipline or other sanction under the Code of Conduct with respect to the matters covered by the decision, provided there was a full disclosure of all material facts. *See 29 Del. C. §§ 5807(a), (c).*

Members should promptly report all actual or potential violations of the Code of Conduct of which the individual becomes aware, whether such actual or potential violation resides with the member or with another individual. Reports should be communicated to the Board Chair and/or the State Treasurer. The Chair and/or the State Treasurer should promptly consult with the Board’s Deputy Attorney General concerning any such report and may discuss the matter with any individual to ascertain facts and confirm a member’s intention with respect to recusal or resignation. Any member may call for a discussion or vote relating to an actual or potential violation of the Code of Conduct.

- *Committee Appointments.*

The Board, by majority vote of the current members, shall approve the appointment of Subcommittee members and the selection of Subcommittee Chairs.

- *Designees and proxy voting.*

No member of the Board may vote by proxy or serve through a designee; provided, however, that ex officio members may designate a person to serve in their stead and at their pleasure, subject to removal as provided below.

- *Removal.*

The Board, if approved by majority vote of the current members, may submit to the Governor a written recommendation of removal for an appointed member. Such recommendation shall be based on cause, including violations of the Code of Conduct, failure to disclose conflicts of interest, or repeated failure to attend scheduled meetings.

Subcommittee members can be removed for any reason by majority vote of the current members of the Board.

Designees can be removed at the discretion of the appointing official and are subject to removal for any reason by majority vote of the current members of the Board.

- *Agendas.*

In the absence of a Chair, the State Treasurer may set the agenda for any Board meeting.

- *Minutes.*

OST should prepare and circulate draft minutes, including executive session minutes, no later than seven calendar days after the date of a Board or Subcommittee meeting.

- *Parliamentary Procedure.*

The Board, due to its small size and relatively non-controversial nature of its public business, has not adopted Robert's Rules of Order as a formal system of parliamentary procedure and has opted instead to conduct Board business through an informal process guided by a few basic precepts:

- a. The presiding officer (normally the Chair) should ensure that a quorum is present and, if so, call the meeting to order at the set time.
  - b. The presiding officer should adhere to the agenda as posted but has discretion to address agenda items out of order to maintain the flow of the meeting and ensure efficient use of time. During a meeting, any change to the agenda involving the addition of an action item – *i.e.*, a topic that will be the subject of discussion or vote – requires a majority vote of present members.
  - c. The presiding officer should introduce each agenda item and open the floor for discussion if warranted. Every matter presented for discussion or vote should be discussed fully, with every member, including the presiding officer, having an opportunity to question or speak on any matter of public business.
  - d. At the conclusion of any discussion requiring a vote on a matter of public business, the presiding officer may call for a motion or make a motion with respect to such matter. The presiding officer normally should call for a motion to be seconded before putting the matter to a vote.
  - e. Members of the public, if present, should be given an opportunity to speak at the end of each meeting and must be treated with fairness and respect.
  - f. At the conclusion of the agenda, the presiding officer should inquire as to whether there is any further business, absent which, the presiding officer may adjourn the meeting (without a vote).
- *Records Officer and Records Retention.*

OST's Chief Operating Officer is hereby appointed as the official custodian and records officer for each Subcommittee. OST shall comply with all general and agency-specific retention schedules for any Board-related records.

- *FOIA Coordinator.*

OST's FOIA coordinator is hereby designated to serve as the FOIA coordinator for the Board.

**BE IT FURTHER RESOLVED** that OST shall (a) maintain a copy of this resolution on the Board's public-facing webpage, and (b) provide each incoming member of the Board with an electronic copy of this resolution as part of the member's onboarding process.

**Adopted by the Delaware Cash  
Management Policy Board on  
\_\_\_\_\_, 2023**

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Warren Engle, Chair

ATTEST:

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Colleen Davis, State Treasurer