



Colleen C. Davis
State Treasurer

Tel: 302.672.6700
Fax: 302.739.2274

MEMORANDUM

To: Plans Management Board Members
From: John Meyer, Director of Contributions and Plan Management
Sent: June 4, 2024
Subject: **June Meeting- Committee Reports and Action Items**

The Plans Management Board (“Board”) will meet on June 4, 2024. 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 May 7, 2024. The AGC discussed a draft of the vendor management policy, a SECURE Act 2.0 plan provision and the Memorandum of Understanding the Office of the Auditor of Accounts (“AOA”). The IC convened virtually on May 14, 2024. In addition to the quarterly investment reports presented by CAPTRUST, the IC reviewed the due diligence report on the managed account service and the self-directed brokerage service providers. The committees and OST present the following items to Board:

Memorandum of Understanding (“MOU”) with AOA

The AGC discussed the MOU with AOA. The MOU outlined a rate of 10% to be assessed by AOA for work relating to the 2023 and 2024 plan year audits and agrees to Board participation on a future RFP evaluation committee. OST and AOA discussed the rate and renegotiated the 10% to 7.5%.

Action Item: Motion to approve the MOU with AOA for work relating to the 2023 and 2024 plan year audits.

SECURE Act 2.0 Provision

The AGC discussed the SECURE Act 2.0’s catch-up provisions for participants ages 60 to 63. Starting January 2025, this age group can defer an additional \$10,000 or 150% of the over-50 catch-up amount. If a plan currently offers an over-50 catch-up option, it must offer the 60-63 catch-up option. OST will consult with Ice Miller and Mr. Staib on necessary plan revisions.

Action Item: No action is needed.

457(b) Eligibility for Casual Seasonals

In 2023, [Delaware House Bill 130](#) was signed into law permitting casual/seasonal employees the opportunity to participate in the 457(b) plan. The implementation date for HB 130 is January 2025. OST has engaged with PHRST, the State of Delaware's payroll agency, and is currently working towards the implementation date.

Action Item: No action is needed.