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MINUTES OF THE PLANS MANAGEMENT BOARD
June 3, 2025

A virtual meeting of the Plans Management Board ("Board") was held on June 3, 2025, at 10:00 AM. Board members and members of the public were able to participate using the provided dial-in information.

Board Members Represented or in Attendance:
Ms. Donna Vieira, Board Chair
Mr. Pete Kennedy, Chair, Audit and Governance Committee ("AGC")
Mr. Alan Colberg, Chair, Investment Committee ("IC")
The Honorable Colleen C. Davis, State Treasurer
Mr. Brian Maxwell, Director Office of Management and Budget ("OMB")
The Honorable Trinidad Navarro, Insurance Commissioner
Mr. Michael Smith, Secretary of Finance
Ms. Jennifer Carlson, Director of Finance of the Department of Education (on behalf of Secretary Cindy Marten)
Mr. Joel Coppadge, III, Public Member
Mr. Jason Hale, State Employee

Members Absent:
Ms. Leighann Hinkle, State Employee

Others in Attendance:
Mr. Brennon Fountain, Deputy State Treasurer, Office of the State Treasurer ("OST")
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Mr. John Meyer, Director of Contributions and Plans Management, OST
Ms. Khairat Makanjuola, Chief Operating Officer, OST
Mr. Dan Kimmel, Promotion and Outreach Manager, OST
Ms. Deborah Bradl, Executive Assistant, OST
Mr. Earle Allen, Principal Financial Advisor, CAPTRUST
Mr. Christopher Engelhardt, Vice President, Strategic Relationship Management, Voya
Mr. Anthony Durkan, Director, Vice President, Head of 529 Relationship Management, Fidelity
Mr. Nicholas Lombardo, Administrative Officer, OMB
Mr. Timothy Snyder, AGC, member
Mr. John Macedo, AGC, member
Ms. Carlie Cope, Assistant, AKF Consulting
Mr. Benjamin Warsaw, Counsel, Public Integrity Commission

CALLED TO ORDER
The meeting was called to order at 10:00 a.m.

APPROVAL OF MINUTES

A MOTION was made by Mr. Coppadge and seconded by Mr. Colberg to approve the minutes from the Board meeting on March 4, 2025.
MOTION PASSED.

PRESENTATION

Ethics in Government Training- Public Integrity Commission
Mr. Warsaw provided training on the State's Code of Conduct.

Quarterly Business Report - Deferred Compensation Plans
Mr. Engelhardt presented the quarterly report on the deferred compensation plans. Mr. Engelhardt stated that total assets across all plans for the first quarter were approximately $1.3 billion, excluding assets held at legacy 403(b) vendors (valued at approximately $235.7 million as of March 31, 2025), representing a decrease of approximately $13 million from 2024. Mr. Engelhardt's presentation reflected that assets in the 457(b) plan total approximately $1 billion. He also stated that assets in the 401(a) plan were approximately $22.9 million, and that approximately $362.2 million are in the 403(b) plan.

Mr. Engelhardt stated that the 457(b) plan has 16,584 participants with a balance, an increase of 2.19 percent over Q1 2024, that the average participant age is fifty-two, and that the average account balance is approximately $60,623, an increase of 2.43 percent versus 2024. Mr. Engelhardt also stated that the 457(b) had approximately $12.4 million in contributions for the quarter and approximately $16.7 million in distributions.

Mr. Engelhardt stated that the 403(b) plan has 8,640 participants with a balance, an increase of 4.02 percent over 2024, that the average participant age is forty-eight, and that the average account balance is approximately $41,923, an increase of 9.42 percent versus 2024.

Mr. Engelhardt reviewed key focus items for 2025. He stated that the goals for 2025 are to increase engagement and contributions and plan governance. Mr. Engelhardt also reviewed Voya's scorecard with the Board and stated that the key focus areas for the plans are increasing enrollment, contributions, account registration and beneficiaries on file. He stated that plans are meeting the goals set forth.

Quarterly Business Report - Education Savings Plan
Mr. Meyer presented first quarter data for the 529 plan. Mr. Meyer stated that total plan assets at the end of the quarter were approximately $678.9 million, as compared to $695.5 million from year-end 2024. Mr. Meyer stated that approximately sixty-three percent of plan assets ($430.7 million) was invested in the age-based portfolios. Within the age-based portfolios, forty percent (approximately $272.7 million) was in the active age-based funds, four percent (approximately $28.9 million) was in the blend age-based funds, and nineteen percent (approximately $129.1 million) was in the index age-based funds. Thirty-seven percent of plan assets (approximately $251.2 million) are invested in static portfolios or individual funds. New accounts for the first quarter of 2025 grew by four percent over 2024. Mr. Meyer stated that plan growth is attributed to

the incentive program, tax incentives and general increasing 529 plan awareness. Mr. Meyer stated that contributions for the year totaled approximately $61 million versus $62 million in 2024.

Mr. Kimmel addressed promotion and outreach efforts for the 529 plan, including events such as the Family Fun Day at the Delaware Museum of Nature and Science in June, the upcoming Delaware State Fair in July and the last Rt. 1 rivalry football game between the University of Delaware and Delaware State University in August.

Quarterly Business Report - ABLE Plan

Mr. Meyer presented the quarterly report on the ABLE plan. The ABLE plan continues to grow and had 571 funded accounts and had approximately $6.7 million in assets as of the end of the first quarter (a 34.4 percent increase over the same time in 2024). New accounts increased approximately 5.4 percent through the first quarter of 2025 versus the same period in 2024. Net contributions to the plan increased 60.5 percent from the same period in 2024.

Ms. Meyer mentioned that the plan received $20,000 through the DHSS partnership and plans are being developed for marketing and outreach. He also reminded the Board that the new ABLE annual contribution limit was raised to $19,000 starting January 1, 2025.

Strategic Objectives Discussion on ABLE plan

Mr. Meyer reviewed the strategic objectives for the ABLE program with the Board. He stated that OST continues to work with the National ABLE Alliance and Ascensus on reviewing investment options, marketing and advocacy. Mr. Meyer stressed the importance of working with community non-profits regarding education about the plan. Mr. Meyer stated that the 2025 goals will be measured in terms of driving participation, encouraging contribution growth, and promoting plan awareness. OST will provide a final strategic objectives document to the Board for consideration at the September meeting.

COMMITTEE REPORTS, ADMINISTRATIVE UPDATES AND ACTION ITEMS

Discussion and Vote on Strategic Objectives for Education Savings Plan

Mr. Meyer shared 2025 strategic objectives with the Board. Mr. Meyer stated that at the March 2025 meeting, the Board discussed strategic initiatives for the DE529 Education Savings Plan. OST is presenting the strategic document that summarizes the discussion and accompanies the deferred compensation program strategic document that the Board approved in March. The ABLE plan will be presented in September and the EARNS program in December for the Board's approval.

A MOTION was made by Ms. Vieira and seconded by Mr. Coppadge to accept the strategic objectives for the Education Savings Plan.
MOTION ADOPTED UNANIMOUSLY.

Discussion and Vote on Recommendation Regarding Adding Nuveen Real Estate Sec Sel R6 to Watch List

Mr. Meyer mentioned that CAPTRUST and the IC are recommending this fund be placed on watch. The fund underperformed both its benchmark, the FTSE NAREIT All Equity REIT Index, and the real estate peer group median during the first quarter of 2025. With this recommendation, Nuveen would join Champlain Mid Cap Institutional Fund on Watch. The IC requested that CAPTRUST invite the Nuveen portfolio team to the August IC meeting.

A MOTION was made by Mr. Colberg and seconded by Treasurer Davis to approve the recommendation to place Nuveen Real Estate Sec Sel R6 on watch.
MOTION ADOPTED UNANIMOUSLY

Discussion and Vote on Recommendation Regarding Approval of Due Diligence Report on Managed Account and Self-Directed Brokerage Service Providers
Mr. Meyer reported that, as required by the Investment Policy Statement for the plans, the IC and OST conducted a due diligence review of Voya's third-party managed account service (Morningstar) and self-directed brokerage (Schwab) providers. At the May 2025 meeting, the IC reviewed a report by CAPTRUST, which concluded that the providers offer quality services and are leading providers in the markets for their respective services.

A MOTION was made by Ms. Vieira and seconded by Mr. Coppadge to approve the recommendation to accept the CAPTRUST due diligence report.
MOTION ADOPTED UNANIMOUSLY

Discussion and Vote on Recommendation Regarding DE529 Savings Plan Management and Administrative Services Agreement
Mr. Meyer stated that the Management and Administrative Services Agreement ("MASA") which governs the 529 plan was revised. The DE529 MASA is being updated to reflect two new changes. The first change involves an underlying product change in the Bank Deposit Portfolio option. The change relates to a modification within the bank deposit portfolio from a negotiable order of withdrawal account to an FDIC-insured demand deposit account. The second change is regarding the stable value portfolio insurance wrap providers. The IC is recommending the approval of the revised MASA. CAPTRUST and the deputy attorney general have reviewed the changes.

A MOTION was made by Mr. Coppadge and seconded by Mr. Colberg to accept the DE529 Education Savings Plan Management and Administrative Services Agreement as amended.
MOTION ADOPTED UNANIMOUSLYOST UPDATES
Delaware EARNS
Mr. Meyer presented an update on Delaware EARNS. Mr. Meyer stated the program will transition to the Plans Management Board at the end of the year. Updates to the program will be incorporated into the existing Board meeting format. He stated that the program has approximately 6,000 funded accounts as of June 1, 2025. As of June 1,2025, assets in the plan are approximately $3.8 million.

SECURE ACT 2.0
Mr. Meyer reviewed the applicable updates on SECURE Act 2.0 regarding the catch-up contributions for high earners. Individuals who fall into this category and making over $145,000 who are using the catch-up provision, must do so as a Roth contribution. Mr. Meyer stated that there are some optional provisions that OST is watching for further guidance and will update the Board at a future meeting.

Legislative Updates

Mr. Meyer reported that Senate Bill 20 was introduced to the Delaware General Assembly to bring back the State match. He stated that currently the bill is with the Senate Finance Committee. Mr. Meyer stated that if Senate Bill 20 passes, the Board will have two issues to consider. The first is the student loan provision and second is what plan account will receive the match on behalf of the participant.

PUBLIC COMMENT
None

NEXT MEETING
The next meeting of the AGC Committee is scheduled for August 5, 2025.
The next meeting of the Investment Committee is scheduled for August 12, 2025.
The next meeting of the Board is scheduled for September 9, 2025.

ADJOURNMENT
Ms. Vieira adjourned the meeting of the Board at 11:42 a.m.

Respectfully submitted,

_E-signature________________________________
Donna Vieira
Chair for the Plans Management Board