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MINUTES FROM THE MEETING OF THE PLANS MANAGEMENT BOARD

June 2, 2026

A virtual meeting of the Plans Management Board ("Board") was held on June 2, 2026, commencing at 10:00 a.m. Committee members and members of the public were able to participate using the provided dial-in information.

Board Members Represented or in Attendance:

Mr. Adam Davis, Board Chair
Mr. Pete Kennedy, Committee Chair, Audit and Governance Committee ("AGC")
Mr. Alan Colberg, Committee Chair, Investment Committee ("IC")
The Honorable Colleen C. Davis, State Treasurer
Mr. Charles Clark, Deputy Principal Assistant, (on behalf of Mr. Michael Smith, Secretary of Finance)
Mr. Brian Ray, Associate Secretary for Finance & Operations of the Department of Education (on behalf of Secretary Cindy Marten)
The Honorable Trinidad Navarro, Insurance Commissioner
Mr. Joel Coppadge, III, Public Member
Dr. Jason Hale, State Employee
Mr. Mathew Rosen, State Employee

Members Absent:

Mr. Brian Maxwell, Director of Office of Management and Budget) ("OMB")

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Mr. John Meyer, Director of Contributions and Plans Management, OST ("OST")
Mr. Ted Griffith, Program Director, DE EARNS, OST
Mr. Andrew Fiorentino, Director of Communications, OST
Mr. Bradley Lofton, Senior Policy Advisor, OST
Mr. Dan Kimmel, Promotion and Outreach Manager, OST
Ms. Deborah Bradl, Executive Administrator, OST
Mr. Earle Allen, Principal Financial Advisor, CAPTRUST
Mr. Christopher Engelhardt, Vice President, Strategic Relationship Management, Voya
Mr. Jared Newman, 529 Managing Director, Fidelity
Ms. Ming Marrin, Administrative Auditor, Office of Auditor of Accounts ("AOA")
Mr. Colin Danly, Director, Relationship Management, Vestwell

Ms. Courtney Eccles, Vice-President, Vestwell
Ms. Carlie Cope, Associate, AKF Consulting
Ms. Stephanie Wile, TAX NY. Gov
Ms. Addison Spencer, Associate, Davis-Harman LLP
Ms. Caitlin Shea, State Street Investment Management
Mr. Chuck Longfellow, member of the public

CALL TO ORDER

The meeting was called to order at 10:03 a.m.

APPROVAL OF MINUTES

A MOTION was made by Mr. Colberg and seconded by Mr. Coppadge to approve the minutes from the Board meeting on March 3, 2026.

MOTION PASSED

PRESENTATIONS

Quarterly Business Report - Deferred Compensation Plans

Mr. Engelhardt reviewed key focus items for the first quarter of 2026 with the Board. He stated that the goals for 2026 are to continue to increase engagement, increase contributions and continue with overall plan governance, including plan design, SECURE Act 2.0 and cybersecurity reviews. Mr. Engelhardt also stated that Voya continues to focus on driving enrollments, e-delivery account registration and beneficiary designation updates as key goals for 2026. Mr. Engelhardt reviewed the scorecard for the first quarter and stated that the plan is at 25 percent of goal for enrollments and 26 percent of goal for contributions as of March 31, 2026. He stated that both categories are on track to reach their 2026 goal. Mr. Engelhardt indicated that enrollments, contributions, account registrations and beneficiaries on file are seeing strong growth so far in the second quarter. Mr. Engelhardt attributed this to the open enrollment process. Mr. Engelhardt stated that increases in account registrations and the addition of account beneficiaries were due to prompts from the call centers and advisors. Mr. Engelhardt indicated that account web registrations for the first quarter were at 80 percent, and that participant beneficiaries on file are holding steady at 69 percent. He stated that the overall program goals will remain the same for the plans in 2026.

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 $1.57 billion (compared to $1.61 billion at the end of the fourth quarter 2025), excluding assets held at legacy 403(b) vendors (valued at approximately $234.9 million as of March 31, 2026), representing a decrease of approximately $.4 million from December 31, 2025. Mr. Engelhardt reported that assets in the 457(b) plan total approximately $1.11 billion. He also stated that assets in the 401(a) plan were approximately $24.2 million, and that approximately $431.9 million are in the 403(b) plan. Mr. Engelhardt stated that the plans had approximately $21.6 million in contributions and approximately $28.6 million in distributions as of March 31, 2026. He also indicated that the plan has seen an increase in hardship distributions both in number and dollar value. Mr. Engelhardt stated that the increase in hardship distributions is an industry-wide occurrence.

Mr. Engelhardt reviewed Voya's plan design with the Board. He stated that Voya is working with OST to optimize plan performance for participants by improving plan design, features, auto-enrollment, e-delivery and focus on the investment options. Chair Davis inquired about what is driving the increase in e-delivery, and Mr. Engelhardt responded that it is a combination of email communications and reminders from advisor meetings.

Mr. Engelhardt stated that the 457(b) plan has 16,931 participants with a balance, which was up versus Q4 2025 (16,904). He stated that the average participant age is fifty-two, and that the average account balance is approximately $65,913. Mr. Engelhardt indicated that total 457(b) plan assets and average balance have increased year over year. He further stated that highest average savings balance by age group falls mostly in the 70+ age group, with average savings of approximately $91,040.

Mr. Engelhardt stated that the 403(b) plan has 8,840 participants with a balance, which remained flat versus Q4 2025. He indicated that the average participant age is forty-nine and that the average account balance is approximately $48,867. Balances in the 403(b) plan only reflected the contributions to the Voya 403(b) plan since 2016. Mr. Engelhardt stated that total 403(b) plan assets and average account balance have increased year over year. He further stated that average savings balance by age group falls mostly in the 50-59 age group, with average savings of approximately $68,297.

Mr. Engelhardt reviewed participant engagement for the plans. He stated that fifty-eight percent of participants have engaged over the past twelve months (web, mobile and call center), and that forty-nine percent of plan participants have engaged digitally. Mr. Engelhardt indicated that mobile app usage is highest among the 20-29 age group, that web usage is highest among the 60-69 age group, and that mobile app usage is starting to exceed call center usage. Mr. Engelhardt reviewed Voya's new retirement income tool for 2026. He stated that this tool helps participants optimize their retirement income from a resource and taxation standpoint.

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 $743.6 million, as compared to $678.9 million from year-end 2025. Mr. Meyer stated that approximately sixty-one percent of plan assets were invested in the age-based portfolios (approximately $455.5 million). In addition to the age-based portfolios, thirty-nine percent of plan assets were in the static portfolios, individual funds or bank deposit portfolios (approximately $288.0 million). New accounts for the first quarter of 2026 grew by twenty-three percent over the same period of 2025 (1,067 vs. 870). He indicated that the plan is seeing a majority of new accounts come from existing Fidelity customers. Mr. Meyer also stated that the plan is seeing a positive trend regarding new account growth, contribution growth, and an increase in savers. Finally, he discussed the ability of the plan to replenish itself with new accounts and contributions due to the age of plan beneficiaries.

Mr. Meyer stated that the IC met with Fidelity to review the glide path in the age-based investment option. Mr. Meyer discussed Trump accounts as an additional savings option for children and how these can be tied into the First State First Steps program as well as the DE 529 plan.

Mr. Coppadge asked what the correlation is between the existing Fidelity customers opening a 529 savings account, age demographics and the increase in contributions. Mr. Meyer and Mr. Newman stated that while college-aged participants are drawing down assets, asset growth is contributed to new accounts for those under age ten. Mr. Davis asked if OST had noticed participant confusion regarding enrollment in the 529 accounts and Trump accounts. Mr. Meyer stated that enrollment in Trump accounts was set to begin in July 2026, and that participant education will be a key factor in alleviating the confusion especially regarding account tax incentives.

Mr. Kimmel addressed regional marketing efforts and outreach for the 529 plan, including events with both University of Delaware and Delaware State University, and the Wilmington Blue Rocks and Kids' Day at the Delaware State Fair. Mr. Kimmel also stated that the 2026 schedule is being finalized and will include a new event with Brandywine Zoo in addition to the previously mentioned events.

Quarterly Business Report – ABLE Plan

Mr. Meyer presented the quarterly report on the ABLE plan. The ABLE plan assets continue to grow to approximately $9.2 million as of the end of the first quarter. The ABLE plan had 705 funded accounts at the end of the first quarter compared to 678 funded accounts as of December 31, 2025. New accounts increased approximately 10.9 percent (51 new accounts vs. 46 accounts) for the first quarter of 2026 versus the same period in 2025. Net contributions to the plan were approximately $2.02 million with a slight decline in growth year over year.

Mr. Meyer reviewed upcoming initiatives with the Board. He stated that in April 2026, the second amendment to the national ABLE alliance agreement was signed which re-instated the ABLE Interstate Agreement. Also, Treasurer Davis added that OST continues to see growth in the ABLE plan and assets from its inception. She stated that the plan is approaching approximately $10 million in assets which is a testament to the dedication by OST staff to the population that the ABLE plan serves.

Quarterly Business Report – DE EARNS

Mr. Danly presented the quarterly report on the DE EARNS program. He stated that the program is in the midst of its 2026 annual compliance wave with 788 employers whose deadline is June 30, 2026. Mr. Danly stated that a data pipeline has been developed to automate external marketing and that Vestwell is continuing the monthly payroll webinars for employers.

Mr. Danly presented the employer metrics report on the DE EARNS program. He stated that the program continues to see strong growth with employer registration. Mr. Danly indicated that as of May 25, 2026, 1,943 employers have registered, and that 940 employers are submitting payroll. He stated that 4,661 employers are exempt from the program. Mr. Danly indicated that as of May 25, 2026, assets in the plan were approximately $11.8 million with 9,523 funded saver accounts.

He stated that the average account balance is $1,249, that the average contribution rate is 5.63 percent, and that the average monthly contribution amount is $154.

Finally, Mr. Danly indicated that Vestwell will partner with Paycheck to launch the 360 API integration to an automated payroll system to enhance employers' program experience, and that the call center will transition to Amazon Web Services for enhanced call center operations.

Mr. Griffith reviewed 90-day enforcement letter with the Board. Mr. Griffith stated that 90-day notices of non-compliance are ready to be sent to employers and that the DE EARNS program is seeking approval from the Board to send them.

COMMITTEE REPORTS, ADMINISTRATIVE UPDATES, AND ACTION ITEMS

Discussion and Vote on Recommendation Regarding 403(b)Plan Provision Enabling Roth Option

Mr. Meyer stated that during the May meeting, the AGC discussed a plan amendment to allow for in-plan Roth rollovers in the 403(b) plan. This provision currently exists within the 457(b) plan. By approving the plan amendment, the two plans will be aligned as it relates to participants choosing to elect an in-plan conversion from pre-tax to a Roth treatment status of funds. The AGC recommends the approval of the plan amendment.

A MOTION was made by Mr. Kennedy and seconded by Commissioner Navarro to approve the recommendation regarding the 403(b)-plan amendment permitting in-plan Roth rollovers.

MOTION ADOPTED UNANIMOUSLY.

Discussion and Vote on Recommendation Regarding Resolution 2018-1 and Charters

Mr. Meyer indicated that the AGC had discussed Resolution 2026-1 Revising and Restating Charters for the Investment and Audit and Governance Committees. The resolution includes updates related to Delaware EARNS and requires a listing of current committee members on the Office of State Treasurer website. The AGC recommends the approval of Resolution 2026-1.

A MOTION was made by Mr. Colberg and seconded by Mr. Kennedy to approve the recommendation regarding Resolution 2026-1.

MOTION ADOPTED UNANIMOUSLY

Discussion and Vote on Recommendation Regarding the Office of Auditor of Accounts' MOU Extension

Mr. Meyer indicated that the AGC discussed the MOU with AOA. The MOU covers the first extension of the agreement with the external audit firm. The MOU covers the audit work for calendar year 2025. If a second extension is granted to the audit firm for calendar year 2026 work, a revised MOU may be needed in 2027. AOA has agreed to waive any AOA administrative fee for audit work pertaining to calendar year 2025. The AGC reviewed the revised MOU at a special meeting on May 28, 2026 and recommended approval by the Board.

A MOTION was made by Mr. Kennedy and seconded by Mr. Davis to approve recommendation regarding the MOU with AOA for work relating to the 2025 plan year audits.

Discussion and Vote on Recommendation Regarding Replacement for Nuveen Real Estate Securities Select R6

Mr. Meyer advised that the Board placed the Nuveen Real Estate Sec Sel R6 fund on watch in June 2025. CAPTRUST and the IC have continued to monitor the fund, and the Nuveen portfolio team presented at the August IC meeting to discuss the underperformance. CAPTRUST reviewed several options for replacement indicating that Cohen and Steers Realty Shares is in line with the overall peer group in terms of holdings, that historical performance has been consistent relative to the peer group in the benchmark, and that they maintain more consistency relative to Nuveen. CAPTRUST also presented performance and management information regarding Cromwell Center Square Real Estate and Virtus Duff and Phelps Real Estate Securities for comparative purposes. After discussion, the IC agreed with the CAPTRUST's recommendation to terminate Nuveen Real Estate Securities Select R6 and to replace it with Cohen and Steers Realty Shares. As a result, the IC is recommending terminating the Nuveen fund and replacing it with Cohen & Steers Realty Shares (CSJZX). Mr. Meyer stated that the recommendation is summarized in the May 2026 memo from CAPTRUST.

A MOTION was made by Mr. Colberg and seconded by Mr. Coppadge to approve the recommendation to terminate Nuveen Real Estate Sec Sel R6 and replace with Cohen & Steers Realty Shares (CSJZX).

Discussion and Vote on Recommendation Regarding Managed Account Service Provider and Self-Directed Brokerage Provider Review for Deferred Compensation Plans

Mr. Meyer stated 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 2026 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 Mr. Davis 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 New Investment Committee Member

Mr. Meyer stated that Mr. Biddle has decided to step down from his duties on the Investment Committee. He stated that Melinda Tingle is a prospective outside (non-ex-officio) committee member for the Investment Committee. Ms. Tingle is a financial advisor with Edward Jones in Laurel, Delaware and has been with Edward Jones for 27 years. More information on Ms. Tingle can be found on her firm's website.

A MOTION was made by Dr. Hale and seconded by Mr. Kennedy to approve Melinda Tingle as an outside member of the Investment Committee.

MOTION ADOPTED UNANIMOUSLY

Discussion and Vote on Recommendation Regarding Approval to Issue 90-Day Notices of Non-Compliance to Certain Larger Employers Relating to DE EARNS.

Mr. Meyer stated that OST seeks Board approval to issue to certain larger employers 90-day notices of noncompliance with the EARNS statute. The notification will go to employers with 50 or more employees first notified of their EARNS obligation starting with the Program's July 2024 launch. Currently, there are fewer than 100 employers statewide that fall into this category.

A MOTION was made by Mr. Coppadge and seconded by Mr. Davis to approve the issuance of 90-day EARNS noncompliance notices.
MOTION ADOPTED UNANIMOUSLY

LEGISLATIVE AND POLICY UPDATES

Mr. Meyer reviewed the current legislative items with the Board. He reminded the Board that OST is monitoring 530(a) accounts, otherwise known as Trump accounts, which are IRAs for children born between 2025-2028 which offer a $1,000 match for opening an account. Mr. Meyer also stated that HB 423 establishes the option for automatic enrollment into the 457(b) plan for new hires who are not in a collective bargaining unit, but who are pension eligible. He stated that the bill has moved out of committee, and Mr. Lofton stated that the bill should be voted on soon.

EXECUTIVE SESSION

None held.

PUBLIC COMMENT

Public member Mr. Chuck Longfellow discussed some concerns with the Board regarding in-plan Roth conversions for deferred compensation, participant education regarding managed accounts versus target date funds, removal of Voya's twenty-five dollar disbursement fee, and an increase in the lifetime Roth conversion limit for 529 plans.

NEXT MEETING

The next meeting of the Audit & Governance Committee is scheduled for August 4, 2026.

The next meeting of the Investment Committee is scheduled for August 18, 2026.

The next meeting of the Board is scheduled for September 1, 2026.

ADJOURNMENT

Mr. Davis adjourned the meeting at 11:29 a.m.

Respectfully submitted,

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Adam Davis
Chair, Plans Management Board