

DEFERRED COMPENSATION ADVISORY COUNCIL

BY-LAWS

Article I,

General

The Advisory Council on Tax-deferred Arrangements is established by statute (Title 5, Chapter 67, § 884) to review the operations of the deferred compensation program and to advise the Department of Administrative and Financial Services on matters of policy relating to activities under the deferred compensation program.

Article II.

Membership

The Advisory Council shall consist of twelve (12) members as follows:

A. Ex officio members; co-chair. The ex officio members of the Advisory Council are: the Commissioner of Administrative and Financial Services, or the Commissioner's designee; the Superintendent of Insurance, or the Superintendent's designee; and the Superintendent of Financial Institutions, or the Superintendent's designee. The Commissioner of Administrative and Financial Services, or a designee, is co-chair of the Advisory Council.

B. Employee Representatives. The Governor shall appoint nine (9) classified state employees as follows:

- I. Seven classified state employees, one from each bargaining unit recognized pursuant to Title 26, chapter 9-B in the executive branch, recommended to the Governor by the employee organizations certified to represent the units;
2. One employee from the largest bargaining unit recognized pursuant to Title 26, chapter 9-B in the legislative branch, recommended to the Governor by the employee organization certified to represent the unit; and
3. One employee from the largest bargaining unit recognized pursuant to Title 26, chapter 14 in the judicial branch, recommended to the Governor by the employee organization certified to represent the unit.

Article III.

Voting

All votes of the Advisory Council must be one vote cast by labor and one vote cast by management. The labor vote must be cast by the labor co-chair, who must be chosen by the labor members, and must represent the majority opinion of the labor members of the Advisory Council. The management vote must be cast by the management co-chair, who

is the Commissioner of Administrative and Financial Services or the Commissioner's designee.

If a co-chair is unable to attend a meeting, the co-chair shall designate an alternative member of the Advisory Council to cast any required vote.

Article IV.

Duties and Responsibilities

4.1 The Advisory Council serves as trustees of the deferred compensation funds. As trustees the Advisory Council serves as the fiduciary with respect to funds, advises the state on matters of policy, oversees plan operations, and selects financial service organizations and consultants.

4.2 The Advisory Council may establish ad hoc committees and appoint members to serve on committees as deemed necessary. The duties, authority and responsibilities of ad hoc committees shall be determined by the Advisory Council.

4.3 The Advisory Council shall establish overall goals and objectives for the deferred compensation plan and provide general guidance to the Office of Employee Health & Wellness by identifying strategic priorities.

4.4 Pursuant to article VI. 2, the Advisory Council shall amend the By-laws but only upon unanimous vote of the co-chairs.

Article V.

Meetings

5.1 The Advisory Council shall conduct a minimum of four (4) regularly scheduled meetings annually. Meeting notices shall be published as required by state law. No formal action shall be taken on Advisory Council business without the required public notice.

5.2 All meetings of the Advisory Council shall be held in public session except for meetings or discussions which relate to the evaluation and rating of proposals in response to request for proposals, interviews conducted pursuant to vendor selection and personnel matters. A formal vote of the Advisory Council is required to permit the Council to meet in executive session. An official agenda shall be distributed to Advisory Council members at least seven (7) calendar days prior to any regularly scheduled meeting. The Advisory Council may conduct workshops or member education sessions without requiring public notice. No official business can be conducted at such sessions.

5.3 Special meetings of the Advisory Council may be called by the co-chairs provided the public notice requirements are fulfilled, and members are provided at least seven (7) calendar days notice.

Article VI.

Miscellaneous

6.1 The release of written policy statements representing the position of the Advisory Council shall be approved by a vote of the Advisory Council or the unanimous approval of the co-chairs. The Advisory Council may develop general guidelines or policy governing oral testimony or comments by Advisory Council members. The Advisory Council may designate spokespersons authorized to represent the Advisory Council.

6.2 Amendments to these By-laws may be proposed and discussed at any regular or special meeting of the Advisory Council and must receive the unanimous vote of the co-chairs. Proposals to amend these By-laws shall be presented to the co-chairs in writing and distributed to the Advisory Council members at least ten (10) calendar days prior to consideration by the Advisory Council.

6.3 The By-laws may be suspended by a unanimous vote of the co-chairs during any public meeting of the Advisory Council.

**AMENDMENT NO. 1
TO THE
DEFERRED COMPENSATION ADVISORY COUNCIL
BY-LAWS**

WHEREAS, Section 6.2 of the Advisory Council By-laws (the "By- Laws") permit the By-laws to be amended by unanimous vote of the co-chairs of the Advisory Council on Tax-Deferred Arrangements (the "Advisory Council"); and

WHEREAS, the co-chairs of the Advisory Council deem it advisable to amend the By-Laws to conform the provisions dealing with the membership of the Advisory Council to the provisions of the statute creating the Advisory Council, and to change the minimum number of meetings to be conducted each year by the Advisory Council;

NOW, THEREFORE, the By-laws are hereby amended, effective as of March 25, 2010, as follows:

I. Article II of the By-laws is hereby amended in its entirety to read as follows:

"The Advisory Council consists of 12 members as follows:

A. Ex officio members; co-chair. The ex officio members of the Advisory Council on Tax-deferred Arrangements are: the Commissioner of Administrative and Financial Services, or the Commissioner's designee; the Superintendent of Insurance, or the Superintendent's designee; and the Superintendent of Financial Institutions, or the Superintendent's designee. The Commissioner of Administrative and Financial Services, or a designee, is the co-chair of the Advisory Council.

B. Employee representatives. The employee representatives of the Advisory Council are 9 employees appointed by the Governor as follows:

1. Seven classified state employees, one from each bargaining unit recognized pursuant to Title 26, chapter 9-B in the executive branch, recommended to the Governor by the employee organizations certified to represent the units;
2. One employee from the largest bargaining unit recognized pursuant to Title 26, chapter 9-B in the legislative branch, recommended to the Governor by the employee organization certified to represent the unit; and
3. One employee from the largest bargaining unit recognized pursuant to Title 26, chapter 14 in the judicial branch, recommended to the Governor by the employee organization certified to represent the unit.

Employee representatives are appointed for terms of 3 years."

2. Section 5.1 of the By-laws is hereby amended in its entirety to read as follows:

"5.1 The Advisory Council shall conduct a minimum of three (3) regularly scheduled meetings annually. Meeting notices shall be published as required by state law. No formal action shall be taken on Advisory Council business without the required public notice."