



NC ALE
National ALE Alliance Member



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

MINUTES NC ALE PROGRAM BOARD OF TRUSTEES

The quarterly meeting of the NC ALE Program Board of Trustees was called to order at 9:30 a.m., November 10, 2021, by the Acting Chair and Executive Director, Retirement Systems Division, Thomas G. Causey. The meeting was held in a hybrid format, with people attending virtually or in person in the Dogwood Conference Room of the Longleaf Building at 3200 Atlantic Avenue, Raleigh, NC 27604. The Acting Chair indicated there would be a public comment period for organizations and individuals to address the Board later in the agenda.

Members Present

Board members attending in person: Thomas Causey, Acting Chair.

Board members attending virtually: Commissioner of Banks Katherine Bosken, Chris Egan, Melinda Plue, Marquita Robertson, and Carlton 'Tim' Smith. State Treasurer Dale R. Folwell, CPA, arrived as noted herein and did not participate in the voting.

Members Absent

Board members absent: None.

Guests Present

Guests attending virtually: Jose Gamboa, Molly Peterson, and Paul Souppa from Ascensus.

Department of State Treasurer Staff Present

Staff members attending in person: Ted Brinn, Reid Chisholm, Zora Falkowski, Christy Farrelly, Patti Hall, Jeff Hancock, and Alan Jaquith.

Staff members attending virtually: Brian Jackson, Fran Lawrence, and Laura Rowe.

The Acting Chair called the meeting to order and reminded members that, since this meeting is being held in a hybrid format, members must announce their names when they arrive, when they depart, and when speaking. He explained that making a motion will be assumed to be a vote for the proposal and that all votes will be taken by roll call. He stated that today's meeting is being recorded under the Department of State Treasurer's policy to record official public meetings as part of an initiative to increase government transparency.

Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest

The Acting Chair asked, pursuant to the ethics rules, about board member conflicts of interest. No conflicts of interest were identified.

Approval of Minutes

The Acting Chair entertained a motion to approve the minutes of the August 11, 2021 NC ABLE Program Board of Trustees meeting. Commissioner Bosken so moved and Mr. Egan seconded. The motion passed by a unanimous roll call vote of 4-0. Responses from Ms. Plue and Ms. Robertson were not recorded.

The Acting Chair shared with the Board that Adonis Brown passed away in July. He commented that Mr. Brown was a passionate advocate for people with mental and physical disabilities and served with The Arc of North Carolina. Mr. Egan commented that Mr. Brown was a great friend and a very strong advocate for people with disabilities. He will be greatly missed.

National ABLE Alliance Program Manager Search Update

The Acting Chair recognized Mr. Jeff Hancock to provide an update on the National ABLE Alliance's program manager search. Mr. Hancock said that Illinois, the lead state in the National ABLE Alliance, awarded the contract to Ascensus. Illinois is still discussing final contract terms and extended the current contract with Ascensus through January 31, 2022 to allow additional time for negotiations. This contract extension also applies to each state's implementation agreement. Once the contract is finalized, a special board meeting may be required to accept a new implementation agreement.

The Acting Chair commented that typically staff would now be presenting a budget for the new calendar year for the NC ABLE Program; however we cannot present a budget at this time since the North Carolina legislature has not yet approved a state budget.

Communication and Marketing Update

The Acting Chair recognized Ms. Zora Falkowski to provide an update on communication and marketing efforts for the NC ABLE Program (included the Board's materials). Ms. Falkowski thanked Treasurer Folwell for helping turn National Disability Employment Awareness month into an ongoing campaign and promoting the ABLE-to-WORK provision across the state. She also thanked Ms. Plue for her involvement in several media opportunities. Ms. Falkowski shared that staff continues to make presentations with organizations and groups. She continued that there's a great increase in the program's digital reach and staff is able to correlate the increased website traffic with the Treasurer's locations during his ABLE-to-Work tour across the state.

Administrative Update

The Acting Chair recognized Mr. Jose Gamboa from Ascensus, Interim Relationship Manager for the program, to provide an administrative update (included in the Board's materials). He

said that the initial priorities include adopting new successor account owner capabilities and adding the Michigan ABLE Program to the Alliance, bringing the Alliance to 19 members.

Board member Treasurer Folwell announced that he had arrived at approximately 9:50 a.m.

Ms. Molly Peterson from Ascensus, Senior Relationship Administrator, shared in presenting the administrative update and commented that the NC ABLE Program saw strong growth in the past 12 months, with assets growing from \$8 million to \$14 million. She said they saw a spike in contributions in April, which she attributed to the stimulus checks. She said that the checking option remains the most popular investment option, followed by the more aggressive investment options. She commented that the NC ABLE Program remains fifth in size within the Alliance.

The Acting Chair thanked Ascensus for updating the presentation to show a bigger picture of the ongoing trend.

The Acting Chair recognized Mr. Paul Souppa of Ascensus to report on investments and portfolio performance (included in the Board's materials). He noted that overall the NC ABLE Program saw tremendous growth in the past 12 months, with 46% of assets in the top three most-aggressive investment options. He also commented that the NC ABLE Program will reach its five-year anniversary in December.

Public Comments

No public comments were offered.

Board of Trustees Comments

Ms. Plue and Commissioner Boskin thanked the Treasurer for his support. Mr. Egan echoed his thanks and mentioned that a blind colleague recently opened an account with NC ABLE. His experience was neutral but he did provide constructive comments and feedback.

The Acting Chair announced the next Board meeting will be Wednesday, February 9, 2022, at 9:30 a.m.

Adjournment

The Acting Chair commented that with no further business before the Board, he would entertain a motion to adjourn today's meeting in honor of Adonis Brown. Mr. Egan so moved and Commissioner Bosken seconded the motion. The motion passed by a unanimous roll call vote of 6-0. The meeting adjourned at approximately 10:15 a.m.

Chair

Secretary

Date

Date

2/9/22

2/9/22

