



**NC ABE**  
National ABE Alliance Member



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

## **DRAFT MINUTES**

### **NC ABE PROGRAM BOARD OF TRUSTEES**

The quarterly meeting of the NC ABE Program Board of Trustees was called to order at 2:00 p.m., November 9, 2022, by the Chair, State Treasurer Dale R. Folwell, CPA. 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 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: Treasurer Dale R. Folwell.

Board members attending virtually: NC Commissioner of Banks Katherine Bosken, Melinda Plue, Marquita Robertson, and Carlton 'Tim' Smith.

#### **Members Absent**

Board members absent: Chris Egan.

#### **Guests Present**

Guests attending virtually: Jose Gamboa, Kyle Medeiros, and Paul Souppa from Ascensus; and other members of the public.

#### **Department of State Treasurer Staff Present**

Staff members attending in person: Thomas Causey, Reid Chisholm, Zora Falkowski, Christy Farrelly, Patti Hall, Jeff Hancock, Alan Jaquith, and Kristin Merrick.

Staff members attending virtually: Fran Lawrence and Laura Rowe.

The 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 as part of the Department of State Treasurer's initiative to increase government transparency.

### **Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest**

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

The Chair informed the members that updated Evaluations of Statement of Economic Interest (SEI) were available in the appendix for Treasurer Dale R. Folwell, Katherine Bosken, Kody Kinsley, Christopher Egan, and Thomas Causey. He said that SEI evaluations are a part of the meeting minutes.

### **Approval of Minutes**

The Chair entertained a motion to approve the minutes of the August 10, 2022, NC ABLE Program Board of Trustees meeting. Commissioner Katie Bosken so moved and Ms. Melinda Plue seconded. The motion passed by a unanimous roll call vote of 5-0.

### **Administrative Update**

The Chair recognized Mr. Jeff Hancock, Director, Supplemental Savings Programs, to provide an administrative update. Mr. Hancock shared highlights of recent Treasury regulations for ABLE programs, including a new hierarchy and other requirements for authorized individuals who act on behalf of account owners without legal capacity. The NC ABLE Program will implement these new requirements beginning November 20, 2022. Mr. Hancock commented that the NC ABLE Program will also have successor beneficiaries, which will be called successor account owners. He noted that the NC ABLE Program will permit any ABLE eligible person to be a successor account owner.

### **Communication and Marketing Update**

The Chair recognized Ms. Zora Falkowski, Communications Officer, Supplemental Retirement Plans, to provide an update on communication and marketing efforts for the NC ABLE Program (included the Board's materials). Ms. Falkowski said the NC ABLE Program had another very active quarter and shared that organizations are proactively contacting the program to request informational webinars. Staff conducted four NC ABLE webinars in August during National ABLE to Save month. Staff also co-presented a webinar in September with the ABLE National Resource Center featuring an NC ABLE account holder and parent. The NC ABLE Program also kicked off its webinar series with its first webinar in November, focused on ABLE accounts and special needs trusts.

Ms. Falkowski thanked the Treasurer for being instrumental in spreading the word about NC ABLE. She mentioned a press release highlighting the new lower program fees and an article featuring the NC ABLE Program in Spectrum magazine, which is published by the Autism Society of North Carolina.

Staff participated in events across the state, including events with the Autism Society of North Carolina and the North Carolina State Fair's AccessABILITY day, where we partnered with the newly-crowned Ms. Wheelchair America, Ms. Ali Ingersoll. The program also had a table at the NC DPI's Exceptional Children's Annual Conference and at the Arc of the Triangle's Fall

Resource Fair. Staff is already receiving requests for more information and for webinars from attendees at these events.

Ms. Falkowski said the Treasurer had a great visit last week to the North Carolina School for the Deaf and staff worked with some of their students to create artwork inspired by the NC ABLE Program. Staff highlighted this artwork in a press release about the Treasurer's visit to the school. Staff also continues to work with the students at Franklin Academy on another graphic arts and marketing project.

Ms. Falkowski shared that the revamped NCABLE.org website has continued to see an increase in traffic and followers. Visitors are using the tools available on the website, including the enrollment checklist. She noted that a very encouraging 52 percent of the visitors to the enrollment page actually opened an account and that the program has over 1,700 funded accounts.

Mr. Hancock said staff does a fantastic job at raising public awareness of the program and he thanked everyone for their efforts.

Commissioner Bosken added her appreciation for staff's work and commented that she is very pleased to see the metrics for new account openings.

The Treasurer said he is very pleased with the progress in building the program.

### **Administrative Update**

The Chair recognized Mr. Jose Gamboa from Ascensus, Relationship Manager for the NC ABLE Program, to provide an administrative update (included in the Board's materials). He commented that Ascensus is working on their marketing plan for 2023 to help spread awareness of the ABLE Program and the Alliance, and would like staff's help with their marketing strategy discussions.

Mr. Gamboa said that on November 20, 2022, Ascensus will launch enhancements, disclosures, and platform changes to implement the new ABLE regulations for North Carolina and several other states.

Mr. Gamboa also shared metrics for the NC ABLE Program, including total assets, assets broken out by investment option, contributions by type, contributions by age group, and the number of new accounts opened. Mr. Gamboa stated that contributions continue to be strong and that rollovers out are an extremely small percentage of assets.

Mr. Paul Souppa of Ascensus reported on investments and portfolio performance (included in the Board's materials). He commented that 2022 has been tough year-to-date for the equity and fixed income markets. He shared that the NC ABLE Program is the most aggressively-allocated plan among the Alliance members, with about 55 percent of assets invested in the top four most-aggressive options, while across the entire ABLE Alliance about 45 percent of

assets are in those four options. Ascensus views the aggressive allocations as indicating that NC investors are taking a long-term approach to their ABLE accounts.

**Public Comments**

No public comments were offered.

**Board of Trustees Comments**

Ms. Plue thanked staff for its continued hard work and said she really enjoyed seeing the information about the Treasurer’s visit to the School for the Deaf. The Treasurer also thanked staff and noted Ms. Kristin Merrick’s hard work during the ABLE public events this quarter. He said he believes the program is organically growing and expressed his gratitude for our partners.

The Chair announced the next Board meeting will be Wednesday, February 8, 2023, at 9:30 a.m.

**Adjournment**

The Chair commented that with no further business before the Board, he would entertain a motion to adjourn in honor of the students and faculty of the North Carolina School of the Deaf. Ms. Plue so moved and Mr. Tim Smith seconded. The motion passed by a unanimous roll call vote of 5-0. The meeting adjourned at approximately 2:53 p.m.

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Chair

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Date

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Secretary

\_\_\_\_\_  
Date