

DRAFT

NORTH CAROLINA ABLE PROGRAM BOARD OF TRUSTEES

MINUTES OF MEETING

January 17, 2017

Time and Location: The North Carolina ABLE Program Board of Trustees (the Board) met at 9:30 a.m. on Tuesday, January 17, 2017, in the Dogwood Conference Room, 3200 Atlantic Avenue, Raleigh, North Carolina.

Members Present: The following members were present: Treasurer Dale R. Folwell, CPA (Chair), Ben Wright, Melinda Plue, John Lyon, and Commissioner Ray Grace.

Members Absent: Dale Armstrong

Staff Present: The following Department of State Treasurer (DST) staff were present: Steve Toole, Mary Buonfiglio, Jennifer Shine, Frank Lester, Chris Farr, Rekha Krishnan, Fran Lawrence, Loren de Mey, Brad Young, Blake Thomas, Maja Moseley, Marquita Robertson, Catherine Jarboe, Sherry McLamb, Patti Hall, Cindy Aiken, Lisa Allnutt.

Guests Present: Amy Wright, Lillie Wright, and Katherine Bosken.

AGENDA ITEM – WELCOME AND INTRODUCTIONS

The meeting was called to order at 9:30 a.m.

Dale Folwell, Chair, welcomed Board members, staff and guests. He asked members of the public to submit comments at the end of the meeting.

He also noted that Sen. Richard Burr, one of the sponsors of the ABLE Act, has a great deal of interest in the Program and the Board appreciates his interest. The Chair will be traveling to Washington, D.C, on February 13, 2017, where a public announcement of the Program will take place.

AGENDA ITEM – ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST

The Chair asked Board members to review the meeting agenda and identify any actual, implied or potential conflicts of interest. No conflicts were identified.

AGENDA ITEM – APPROVAL OF MINUTES

The Chair asked for a motion to approve the minutes of October 7, 2016, Board meeting. Commissioner Grace so moved and Ms. Plue seconded. The motion passed unanimously.

AGENDA ITEM – NC ABLE PROGRAM REVIEW AND IMPLEMENTING AGREEMENT

The Chair recognized Mr. Toole. Mr. Toole presented the highlights of the report, including implementation stages, the Board's fiduciary duties, vendor roles and responsibilities, as well as the investment lineup. A discussion regarding Program features, fees and customer service followed.

Next, Mr. Toole directed members' attention to the executive summary of January 10, 2017, which outlines the National ABLE Alliance and the content of the Master Agreement and noted that Interim General Counsel Blake Thomas will provide additional clarification regarding a set of redactions within the Agreement by the Program's recordkeeper, Ascensus.

Due to the confidential nature of the issues discussed, Mr. Grace made a motion to enter into closed session pursuant to N.C.G.S. §143-318.11(a)(1). For purposes of subdivision (a)(1), the session involves matters that are confidential under N.C.G.S. §§ 132-1.2(1) and 66-152, the North Carolina Trade Secrets Protection Act. Mr. Lyon seconded the motion, and the meeting moved into closed session at 10:04 am.

At approximately 10:11 a.m., Commissioner Grace made a motion to reopen the session, and Ms. Plue seconded. The motion passed unanimously.

Next, Mr. Toole described the Agreement of Trust and the NC ABLE Implementing Agreement. He emphasized the staff's conviction in the Program and asked the Board for a formal approval of the Implementing Agreement.

Ms. Plue made a motion to approve the NC ABLE Implementing Agreement. Mr. Wright seconded, and the motion passed unanimously.

AGENDA ITEM – LEGAL UPDATES

The Chair recognized Ms. Shine who first asked the Board's approval to update the Program's Delegation of Authority to allow the Treasurer, the Executive Director of Retirement Systems Division and the Interim General Counsel to act on Department's behalf and sign the Program contracts.

Mr. Lyon made the motion to approve the update to Delegation of Authority, and Commissioner Grace seconded. The motion passed unanimously.

Next, Ms. Shine asked for approval of the amended Board Charter.

Mr. Wright made a motion to approve the Board Charter as amended, and Ms. Plue seconded. The motion passed unanimously.

AGENDA ITEM – ADMINISTRATIVE UPDATES

The Chair recognized Ms. Buonfiglio who presented the Program budget and reviewed the appropriations, as well as the actual and projected expenditures. She noted that no action is needed on the budget as it has been previously approved.

AGENDA ITEM – NC ABLE LAUNCH PLAN

The Chair recognized Ms. Jarboe who presented the communications plan outline regarding the launch and rollout of the Program. She outlined the planned phases of the Program launch and implementation working within the current budget, explained our potential Program audiences, and planned key messages. She added that the launch and outreach activities have been informed by staff's expertise, as well as launch and communications outreach in other states.

Board members shared their personal stories and reasons for involvement with the Program, and the Chair encouraged them to continue to bring passion and commitment, as well as to “put themselves in the members’ shoes.”

AGENDA ITEM – BOARD QUESTIONS/COMMENTS

Mr. Toole thanked the Board members for their service. The Chair noted that memorandum regarding the future meetings calendar is included in the Board book.

AGENDA ITEM – PUBLIC COMMENTS

No public comments were offered.

Ms. Plue moved to adjourn the meeting, and Mr. Wright seconded. The meeting adjourned at 10:54 a.m.