

**DRAFT**

**NORTH CAROLINA ABE PROGRAM BOARD OF TRUSTEES**

**MINUTES OF MEETING**

**February 14, 2018**

**Time and Location:** The North Carolina ABE Program Board of Trustees (the “Board”) met at 9:30 a.m., Wednesday, February 14, 2018, in the Dogwood Conference Room, 3200 Atlantic Avenue, Raleigh, North Carolina. The meeting was held via WebEx.

**Members Present:** The following members were present: Treasurer Dale R. Folwell, CPA, Chair. Melinda Plue, Ben Wright, John Lyon attended via WebEx.

**Members Absent:** Ray Grace and Dale Armstrong.

**Staff Present:** The following Department of State Treasurer (DST) staff were present: Steve Toole, Mary Buonfiglio, Loren de Mey, Catherine Jarboe, Maja Moseley, Reid Chisholm, Rekha Krishnan, Patti Hall, Karah Manning, Brian Jackson.

**Guests Present:** Christopher Catanese, Paul Souppa and Dawn Roach from Ascensus attended via phone.

**AGENDA ITEM – WELCOME AND INTRODUCTIONS**

The meeting was called to order at 9:32 a.m.

The Chair welcomed Board members, staff and guests. The Chair opened the meeting with the Pledge of Allegiance. He asked members of the public to submit their comments at the end of the meeting.

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

The Chair asked Board members to review the agenda for the meeting 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 November 29, 2017, Board meeting. Ms. Plue so moved and Mr. Wright seconded. The motion passed unanimously.

## **AGENDA ITEM –LEGISLATIVE UPDATE**

The Chair recognized Mr. Chisholm who presented the draft of the NC ABLE Program's Annual Evaluation and Report for 2017 to be delivered to the Joint Legislative Oversight Committee on Health and Human Services and Joint Legislative Oversight Committee on General Government. He noted that the draft will be prepared by the staff every year in January and will cover the prior calendar year. Mr. Chisholm recommended that the Board approve the draft version included in the materials.

The Chair entertained a motion to approve the draft report. Mr. Wright so moved, and Ms. Plue seconded. The motion passed unanimously.

## **AGENDA ITEM – ADMINISTRATIVE UPDATE**

The Chair recognized Mr. Catanese and Mr. Souppa. Mr. Catanese noted that as of February 13, 2018, the Program had more than \$1 million in assets. The Chair inquired about the Program's ranking within the national ABLE Alliance member states. Mr. Catanese replied that the Program's assets account for 7.7 percent of total National ABLE Alliance assets, placing it in the top half of 13 members, and that going forward, a rank will be provided.

Mr. Catanese further discussed contributions and accounts by disability, as well as eligibility type. A brief discussion regarding account closures followed; Mr. Catanese noted that most accounts that are closed are done so only after a 60-day period in which they remain unfunded (as is the rule). He committed to gathering more data regarding accounts that have closed.

Mr. Souppa provided an overview of quarterly performance with a focus on one-year investment returns, and discussed the custom benchmarks.

## **AGENDA ITEM - COMMUNICATION AND OUTREACH UPDATE**

The Chair recognized Ms. Jarboe who provided an update regarding communications and outreach efforts. She highlighted the upcoming advocacy events and the continuing social media push. She also noted the significant impact of paid social media advertising campaigns.

The members discussed the need to reach out to the financial services community to spread awareness of Program. Mr. Wright added that a common myth regarding the Program is that to be eligible to open an account, the person must be receiving Social Security disability benefits. Ms. Jarboe noted that the team continuously works to dispel this myth. Mr. Wright offered his assistance in connecting Ms. Buonfiglio with leadership in the financial services community in NC.

## **AGENDA ITEM - BUDGET UPDATE**

The Chair recognized Ms. Buonfiglio who noted that there have been no changes to the budget, expenses are on track and even slightly less than forecasted. She stated that the budget will typically be provided on a quarterly basis to illustrate the Program's progress.

**AGENDA ITEM – BOARD QUESTIONS/COMMENTS**

Mr. Wright reiterated the importance of, and the need for continued, strong efforts to educate the public education regarding ABLE account eligibility rules.

**AGENDA ITEM – PUBLIC COMMENTS**

No public comments were offered.

Mr. Lyon made a motion to adjourn the meeting and Mr. Wright seconded. The meeting adjourned at 10:13 a.m.

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Secretary