



**NC ABE**  
National ABE Alliance Member



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STATE TREASURER OF NORTH CAROLINA  
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**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., August 11, 2021, by the Acting Chair and Chief of Staff, Chris Farr. The meeting was held in a hybrid format, with most people attending virtually and some staff attending 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: Chris Farr, Acting Chair.

Board members attending virtually: Interim Commissioner of Banks Katherine Bosken, Melinda Plue, and Carlton 'Tim' Smith. Chris Egan arrived as noted herein and did not participate in the voting.

**Members Absent**

Board members absent: Marquita Robertson.

**Guests Present**

Guests attending virtually: Thomas Lowe, Molly Peterson, and Khalel Pritchard from Ascensus.

**Department of State Treasurer Staff Present**

Staff members attending in person: Thomas Causey, Reid Chisholm, Zora Falkowski, Christy Farrelly, Patti Hall, Jeff Hancock, Rekha Krishnan, and Loren de Mey.

Staff members attending virtually: Alan Jaquith and Laura Rowe.

The Acting Chair called the meeting to order in honor of "ABLE to Save" Month and shared that Treasurer Dale Folwell will be appearing in Wilmington on Friday at an event for ABE to Save Month. She expressed thanks to Ms. Melinda Plue for assisting in the coordination of the the event.

The Acting Chair reminded members that, since this meeting is being held in a hybrid format, members must announce their names when they arrive, depart, and when speaking. She explained that all votes will be taken by roll call and making a motion will be assumed to be a

vote for the proposal. She also shared 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.

The Acting Chair reminded the Board that Ms. Mary Buonfiglio has retired and welcomed Jeff Hancock, the new Director of Supplemental Retirement Plans. The Acting Chair announced the reappointment of board members Marquita Robertson and Melinda Plue, and the appointment of Katherine Bosken as Interim Commissioner of Banks.

#### **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 by the Board.

#### **Adoption of Resolutions of Appreciation for the Service of Mr. Ben Wright and Commissioner Ray Grace**

The Acting Chair presented Resolutions of Appreciation for Mr. Ben Wright and Commissioner Ray Grace for their service as members of the NC ABLE Board of Trustees and entertained a motion to adopt the Resolutions. Interim Commissioner Bosken so moved and Ms. Plue seconded. The motion passed by a unanimous roll call vote of 4-0.

#### **Approval of Minutes**

The Acting Chair entertained a motion to approve the minutes of the May 12, 2021 NC ABLE Program Board of Trustees meeting. Ms. Plue so moved and Interim Commissioner Bosken seconded. The motion passed by a unanimous roll call vote of 4-0.

#### **National ABLE Alliance Program Manager Search Update**

The Acting Chair recognized Mr. Jeff Hancock and Mr. Reid Chisholm to provide an update on the National ABLE Alliance's program manager search. Mr. Hancock reminded the Board that the current manager is Ascensus and their contract expires December 6, 2021. Mr. Hancock said that Illinois, the lead state in the National ABLE Alliance, issued an RFP December 1, 2020, received bids by January 25, 2021, and reviewed all bids, as well as all best and final offers. The team that reviewed the bids (including Ms. Mary Buonfiglio, representing North Carolina) submitted their recommendation to Illinois, which awarded the contract to Ascensus. Illinois is currently negotiating final contract terms with Ascensus. Once a final agreement is reached, all Alliance member states will negotiate their implementation agreements with Ascensus. Staff anticipates presenting details to the Board at the next quarterly meeting for a vote.

#### **Communication and Marketing Update**

The Acting Chair recognized Ms. Christy Farrelly to provide an update on communication and marketing efforts for the NC ABLE Program (included the Board's materials). Ms. Farrelly began by extending a warm welcome to Ms. Zora Falkowski, the new Communications Officer for NC Supplemental Retirement Plans, who will devote a portion of her time to the NC ABLE Program. Ms. Farrelly said that the Department is promoting NC ABLE awareness during "ABLE to Save" month and this initiative is supported by Treasurer Dale Folwell's Friday event. She

thanked Melinda Plue for working with staff to make this event a success. She also thanked Mr. Chris Egan, who will be presenting NC ABLE at a breakout session at the North Carolina Providers' Council Conference (NCPCC) in September. She shared that the [ncable.org](http://ncable.org) webpage is now live and that there will be a marketing push using digital assets.

### **Administrative Update**

The Acting Chair recognized Mr. Khalel Pritchard from Ascensus to provide an administrative update (included in the Board's materials). Mr. Pritchard informed the Board that he is the Interim Relationship Manager for the program. Stone Point Capital (a private equity firm that specializes in the financial services industry) and GIC, Singapore's sovereign wealth fund, acquired Ascensus effective August 2, 2021. Mr. Pritchard commented that the new owners wholeheartedly support Ascensus' long-term goals and that their commitment to the ABLE Program will not change. He said that the initial priorities include adding the Michigan ABLE Plan to the National ABLE Alliance, updating the overnight account data feed, launching a "How Did You Hear" marketing program, and updating enrollment flows to capture new health certification requirements.

He commented that the NC ABLE Program saw growth during the first half of the year, which he attributed to organic growth, market growth, and the stimulus checks.

Responding to a question about rollover contributions, Mr. Pritchard explained that rollover contributions into the NC ABLE Program came from assets rolled in from 529 Plans.

Responding to a question about account closures, he shared that Ascensus attempts to contact new account owners regarding missing documentation after 30 days of inactivity from the initial account opening.

Interim Commissioner Bosken asked why the Pennsylvania plan is so much larger than the NC program, given similar start dates. Mr. Pritchard said that Pennsylvania has large marketing resources and Ms. Farrelly added that some states combine their ABLE programs with their state 529 plan programs. The Acting Chair commented that we are proud that the NC ABLE Program remains fifth in size within the National ABLE Alliance.

Board member Chris Egan announced that he had arrived at approximately 2:26 p.m.

The Acting Chair recognized Mr. Tom Lowe of Ascensus to report on investments and portfolio performance (included in the Board's materials). He noted that with the economy in recovery, all investments performed well and as expected, with the more aggressive options outperforming the less aggressive options. He also commented that the investments are closely tracking their benchmarks.

### **Public Comments**

No public comments were offered.

Ms. Farrelly said that Cheryl Walfall-Flagg had an editorial piece on MSN Money about her family and experiences. Ms. Farrelly commented that the article was shared on social media and received a positive response.

**Board of Trustees Comments**

No Board member comments were offered.

The Acting Chair announced the next Board meeting will be Wednesday, November 10, 2021, at 9:30 a.m.

**Adjournment**

The Acting Chair commented that with no further business before the Board, she would entertain a motion to adjourn. Ms. Plue so moved and Interim Commissioner Bosken seconded the motion. The motion passed by a unanimous roll call vote of 4-0. The meeting adjourned at approximately 2:43 p.m.

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Chair

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Date

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Secretary

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Date