

**THE ALABAMA PREPAID AFFORDABLE COLLEGE TUITION PROGRAM
MEETING OF THE BOARD OF DIRECTORS
MINUTES
February 17, 2026**

Present:

Treasurer Young Boozer, Chair - in person
Mr. Marc Green for Dr. David Bronner – in person
Mr. Taylor Nichols for Mr. Bill Poole - in person
Ms. Sara Calhoun for Jimmy Baker - virtual
Mr. Jay Hare - virtual
Dr. James Purcell - in person
Judge JC Love - virtual
Ms. Annie Furrer - virtual
Dr. Charles Karr - virtual

Absent:

Rep. Danny Garrett
Sen. Donnie Chesteen
Mr. Wes Lambert
Mr. Tommy Dismukes
Mr. Will Martin
Gen. Paul Hankins

Others present include:

Ms. Anita Kelley, Program Director - in person
Mr. Chad Wright, Assistant Treasurer - in person
Ms. Stephanie Brown, Treasury - in person
Mr. Dan Sherman, Sherman Actuarial Services - virtual
Mr. Willard McCall, Regions Bank - in person
Mr. Robert Richardson, Regions Bank - in person
Mr. Dwayne Newsome, Kassouf – in person
Ms. Katie Krack, Kassouf – in person

Pursuant to written and public notice, the quarterly meeting of the Board of Directors of the PACT Program was held in the RSA Union Conference Room in Montgomery, AL on February 17, 2026, with participation also allowed by electronic means in accordance with §36-25A.5.1, Code of Alabama, as amended.

The meeting was called to order by Chair Boozer at 11:02 a.m.

Roll was taken with a quorum present.

1. Approval of Board Meeting Minutes – Chair Boozer presented the minutes of the November 18, 2025 board meeting. A motion for approval of the minutes as presented was made by Mr. Green, seconded by Mr. Nichols, with

unanimous approval.

2. Quarterly Reports

- A. Program Report – Chair Boozer asked Anita Kelley for a program report. Ms. Kelley provided information on program activities, plan assets, revenues and disbursements, and the budget for the current fiscal year. She discussed tuition payments and stated the program paid benefits in the amount of \$7.2 million to 1,281 students from 10/01/25 through 12/31/25. She also stated the dollar amount of cumulative benefits paid since inception is \$1.35 billion in tuition and \$41.5 thousand in qualified fees. She noted that the number of active accounts is 3,622. The report was received as informational.
- B. Regions Investment Report – Chair Boozer called on Willard McCall to present the quarterly investment report. Mr. McCall gave a thorough economic and financial market update and discussed an overview and outlook for fixed income and equities. He provided information on the asset value and performance of the portfolio including the money market fund and fixed income. He stated returns for the quarter for the money market fund were 0.98% and 1.07% for the fixed income portfolio with a 1.00% rate of return for the consolidated portfolio. The report was received as informational.
- C. Sherman Actuarial Report – Chair Boozer called on Dan Sherman to present the annual actuary report. Mr. Sherman stated the asset value as of 12/31/25 was \$185,500,607. He noted the funded ratio was 373.4% compared to the 09/30/25 funded ratio of 338.5%. He reviewed a spreadsheet of the projected cash flows, assets, and liabilities through year 2032. The report was received as informational.

- 3. Decision Item - Ms. Kelley reviewed information regarding a petition from an account owner requesting an extension to be allowed on the account that expired in August of 2025. Discussion ensued regarding the request. A motion to deny the request was made by Mr. Green, seconded by Dr. Purcell, with unanimous approval.

4. Informational Items

- A. Kassouf Annual Audit – Chair Boozer called on Dwayne Newsome and Katie Krack with Kassouf & Co. to present the annual audit report for the 2025 fiscal year. Mr. Newsome provided a summary of the Independent Auditor’s Report that included the management’s responsibility for the financial statements and the auditor’s responsibilities as well as the Statement of Fiduciary Net Position. Mr. Newsome stated there were no noted deficiencies in internal control. No instances of non-compliance or other matters that are required to

be reported were found and the fiduciary net position of the PACT Program, as of 9/30/25, and the respective changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States. The report was received as informational.

B. FY25 Annual Report – Chair Boozer stated that the Annual Report for the Savings Division which includes PACT, CollegeCounts, and Alabama ABLE Savings Plan was included in the board package. This report is a summary of the FY of each Program and is provided to the Governor, Lt. Governor, and Speaker of the House. The report was received as informational.

C. Statement of Economic Interests – Chair Boozer reminded the Board that the Statement of Economic Interests forms are due by 04/30/26.

5. Other Business – There being no further business, a motion to adjourn was made by Dr. Purcell, seconded by Mr. Green, with unanimous approval. The meeting adjourned at 11:29 a.m.

Anita Kelley, Director

Young Boozer, Chair