

**Savings Board of Directors Board Meeting
August 20, 2025
MINUTES**

Board Present:

Chair Young Boozer - in person
Mr. Cade Warner for Lt. Gov. Ainsworth - virtual
Mr. Stephen Eberhart - virtual
Dr. Charles Karr - virtual
Mr. Jack Knight - virtual
Mr. Edward Reifenberg - virtual
Dr. Jim Purcell - in person
Mr. Ronald Stokes - virtual
Ms. Sara Calhoun for Mr. Jimmy Baker - virtual
Ms. Susan Tully - virtual

Board Absent:

Mr. Daniel Hughes

Others Present:

Ms. Anita Kelley, Program Director - in person
Ms. Glenda Allred, Deputy Treasurer - in person
Ms. Kayla Bankston, Treasury - in person
Mr. Jay Steinacher, Union Bank & Trust - virtual
Ms. Cari Kaup, Union Bank & Trust - in person
Ms. Annoesjka West, Callan - in person
Mr. Rob Noe, Wilshire Associates - virtual
Mr. John Nagle, Wilshire Associates - virtual
Mr. Daniel Nzouankeu, Vestwell - in person
Mr. David Bell, Vestwell - in person
Mr. Michael Parker, Vestwell - in person
Ms. Lisa DeAraujo, Copperwing - virtual
Ms. Kristi Sasser, Copperwing - virtual

Pursuant to written and public notice, the meeting of the Savings Board of Directors was held in the RSA Union Conference Room in Montgomery, AL on August 20, 2025 with participation also allowed by electronic means in accordance with §16-33C-4 (f), Code of Alabama, as amended.

The meeting was called to order by Chair Boozer at 9:00 a.m.

Roll was taken with a quorum present.

- I. Minutes - Chair Boozer presented the minutes of the May 21, 2025 Board meeting. A motion for approval was made by Dr. Purcell, seconded by Mr. Reifenberg, with unanimous approval.

II. Alabama ABLE Savings Plan Quarterly Reports

A. Vestwell Quarterly Report - Chair Boozer called on Daniel Nzouankeu and David Bell to present the quarterly ABLE report. Mr. Nzouankeu stated that as of 06/30/25 there were \$8,654,917 assets under management, 1,560 total accounts, and \$28,464 in rollover contributions for the quarter. He discussed demographic information regarding the beneficiaries and reported on call center operations and statistics. David Bell discussed the upcoming legislative changes that will go into effect including the ABLE Age Adjustment Act and the strategies being implemented to successfully promote the upcoming enhancement. The report was received as informational.

B. Copperwing Marketing Report – Chair Boozer called on Lisa DeAraujo to present the marketing report. Ms. DeAraujo gave performance numbers on the account owner videos and social media ads as well as programmatic audio. The report was received as informational.

C. Program Report – Ms. Kelley discussed the contract between the Alabama ABLE Savings Plan and Oregon. She stated that effective January 1, 2026 the contract will terminate, and Alabama ABLE will contract directly with Vestwell allowing Alabama ABLE to receive more revenue. Vestwell will present a contract amendment that will remove Oregon for the Board’s review and approval at the November board meeting. Callan will assume investment reporting and oversight responsibilities as of January, 2026. The report was received as informational.

III. CollegeCounts 529

A. Quarterly Reports

1. Program Report - Chair Boozer called on Anita Kelley to give the program report for CollegeCounts. She provided information on the budget for the 2025 fiscal year. She discussed a spreadsheet showing the Statement of Cash Flows for the scholarship program that showed the balance in the account was \$18,388,474 as of 06/30/25. Ms. Kelley gave an update on the scholarship numbers and demographics. Cari Kaup provided information on the 5/29 Day promotion and the First Grade Folder initiative. She also spoke on the recent federal legislation concerning credential expansion, K-12 expansion, and K-12 limit increase. The report was received as informational.

2. Union Bank and Trust Plan Overview & Statistics - Chair Boozer called on Jay Steinacher and Cari Kaup with Union Bank and Trust for the quarterly program report. Ms. Kaup stated there were 123,987 active accounts with total assets in the plan of \$2.961 billion. This represents a 7.2% increase in assets for the quarter and a 10.6% increase for the one-year period. She stated the number of Alabama account holders is 81,043 with \$2.168 billion in plan assets. This is a 7.8% increase in Alabama assets for the quarter and 14.0% increase for the one-year period. Ms. Kaup said YTD contributions were \$114.1 million, of which rollover contributions were \$9.85 million. Ms.

Kaup provided detailed information on assets, accounts, investments, contributions, and withdrawals. She discussed call center statistics, and the most common topics account holders and advisors are contacting the call center about as well as efforts of outreach staff. The written report was received as informational.

3. Wilshire Investment Performance - Chair Boozer called on Rob Noe of Wilshire Associates to review the investment performance report. Mr. Noe provided commentary on the economy including the U.S. and international equity markets, as well as the fixed income, real estate, and commodity markets as of 06/30/25 as well as for the month of July 2025. He provided the quarterly performance summary of individual fund portfolios for both the Direct and Advisor Plans and discussed fund performance. He stated the target portfolios for the Direct Plan had positive absolute performance. Active fixed income managers and active international equity had positive relative performance, while active U.S. equity managers had mostly weak relative performance. He stated the notable underperformers were Vanguard Explorer, T. Rowe Price Large Cap Growth, and DFA Large Cap Value. Regarding the Advisor Plan, he noted target portfolios had positive absolute performance. Active fixed income managers and active international equity managers had mostly positive relative performance. Active U.S. equity managers had mostly weak relative performance and real asset managers had positive relative performance. Mr. Noe highlighted outperformers Parametric Commodity Strategy and DFA Real Estate and underperformers T. Rowe Price Integrated US Small Cap Growth Equity, DFA Large Cap Value, and T. Rowe Price Small Cap Value. The written report was received as informational.

4. Callan Consultant's Report – Chair Boozer called on Annoesjka West with Callan to present the Consultant's Report. Ms. West discussed the recent announcement from T. Rowe Price regarding company layoffs. The firm did not state the number of roles being eliminated, the headcount reduction timeline, or expectations. CollegeCounts currently offers four funds with T. Rowe Price with combined invested assets of \$250 million. Callan believes these funds will be minimally impacted and they will continue to monitor the company. Ms. West reviewed the current Watch List and discussed the Northern Trust Small Cap Value Fund. The Fund has been on the Watch List since 08/18/21 due to underperformance. She stated that she and Mr. Noe have discussed the fund and will be presenting alternative options for the Board's consideration at the November meeting.

B. Decision Items

1. Approval of Watch List Recommendations – Ms. West stated Callan recommends the Northern Trust Small Cap Value (Advisor Plan – underlying fund) and the Principal Global Real Estate Fund (Advisor Plan – underlying

fund) remain on the Watch List. A motion to approve the Watch List as presented was made by Dr. Purcell, seconded by Mr. Warner, with unanimous approval.

2. Consideration of Scholarship Payout 2026-27 Academic Year

a. Scholarship Payout Calculation – Chair Boozer called on Ms. Kelley to review the proposed payout for the 2026-27 Scholarship Program, as calculated using the Board’s approved method adopted at the May 16, 2018 Board meeting.

b. A motion was made by Mr. Reifenberg to approve the resolution authorizing up to \$1,361,117 to be distributed in scholarships for the 2026-27 academic year. Mr. Eberhart seconded the motion, with unanimous approval.

C. Informational Item – Annual Morningstar Interview will be on 09/11/2025.

IV. There being no further business, a motion to adjourn was made by Dr. Purcell, seconded by Mr. Stokes, with unanimous approval. The meeting adjourned at 10:18 a.m.

Anita Kelley, Director

Young Boozer, Chair