
CALIFORNIA ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) ACT BOARD

Meeting Minutes

February 26, 2019 – 1:30 p.m.
915 Capitol Mall, Room 587, Sacramento, CA 95814

Public Participation Call-In Number* (877) 810-9415 and Participant Code: 653-5126

Board members present:

Fiona Ma, State Treasurer
David Oppenheim for the State Controller, Betty T. Yee
Elena Gomez for the Director of the Department of Rehabilitation, Joe Xavier
Thomas Todd for the Director of the Department of Finance, Keely Bosler
Peter Mendoza for the Chairperson of the State Independent Living Council,
Joseph Cody
Francis Lau for the Chairperson of the State Council on Developmental
Disabilities, Sandra Smith
Patti Mericantante for the Director of the Department of Developmental Services,
Nancy Bargmann

CalABLE Board members absent:

None

CalABLE Board staff present:

Dante Allen, Executive Director
Carrie Fisher Stone, Deputy Executive Director
Erica Jaramillo, Associate Governmental Program Analyst
Ravinder Kapoor, Legal Counsel

CalABLE Board consultants present:

Andrea Feirstein, AKF Consulting Group (*via teleconference*)

CalABLE Board program manager, Tuition Financing, Inc. (TFI), staff present:

Linda English, Senior Director of Relationship Management
Kathleen Griffin, Senior Director of Marketing (*via teleconference*)
Glenn Friedman, Manager of Asset Allocation and Investments (*via teleconference*)
Eric White, Managing Director of Pension Consulting Alliance, LLC (*via teleconference*)

Chairperson Fiona Ma called the meeting to order at 1:30 p.m.

Agenda Item 1 – Approval of the Minutes of the January 22, 2019 Meeting of the California ABLE Act Board (ACTION ITEM)

Chairperson Fiona Ma asked for public comment. There was none.

Board Action

Motion to approve the minutes of the January 22, 2019 meeting of the California ABLE Act Board.

MOTION:	Peter Mendoza	SECONDED:	Francis Lau
AYES:	Peter Mendoza, Fiona Ma, David Oppenheim, Thomas Todd, Francis Lau, Elena Gomez, Patti Mericantante		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion Passes		

Agenda Item 2 – Executive Director’s Report (INFORMATION ITEM)

Mr. Dante Allen provided a verbal report on CalABLE enrollment numbers as of February 25, with 732 open accounts since program launch in December 2018 and \$2.4 million in assets under management. Mr. Allen reported that the numbers continue to climb.

Mr. Allen provided a follow-up on status of the marketing contract, which was awarded to Sagent Marketing and is in the process of being finalized, after which time a kick-off meeting will follow. Mr. Allen announced CalABLE’s intent to award a contract to investment consultant Pension Consulting Alliance (PCA). Mr. Allen noted that PCA and Meketa Investment Group will be merging, with the merger to be finalized by time of contract execution.

Mr. Allen noted that CalABLE staff have spent significant time doing outreach and education. Mr. Allen noted that 6,500 people are actively seeking information about CalABLE.

Mr. Allen provided a report on his trip to the legislative conference of the National Association of State Treasurers (NAST) in Washington, D.C., where he met with National Council on Disabilities and had a fruitful conversation.

Mr. Allen noted three CalABLE-related bills that have been introduced into the California legislature: AB 736, AB 416, and SB 263.

Mr. Allen noted that a quarterly update prepared by Andrea Feirstein and her team at AKF Consulting could be found in board members’ binders; Ms. Fisher Stone clarified that the landscape update was not included in the materials would be sent to Board members post-meeting via email.

Chairperson Ma also provided an update on the NAST Conference. She reported that the ABLE meeting was well attended and noted the push to introduce federal legislation to increase the age limits for ABLE eligibility. Chairperson Ma discussed opportunities to sponsor bills and asked if a process has been identified; she suggested putting this on the next Board meeting agenda.

Board member Elena Gomez asked for clarification on supporting bills and expressed sensitivity around the issue. Chairperson Ma noted openness to discussion on strategies to support bills going forward.

Board member Francis Lau asked permission to share the information about the bills with his group.

Chairperson Ma asked for public comment. There was none.

Agenda Item 3 – Board approval of Resolution No. 2019-01 establishing administrative performance standards to measure the performance of the program administrator. (ACTION ITEM)

Mr. Allen provided overview about the action item. Mr. Allen reported that flexibility to improve upon performance standards being requested to set is included in the resolution.

Board member Oppenheim noted he did not see the flexibility in the resolution and suggested that the language be included if this was the intent on voting to approve the resolution. Mr. Allen confirmed that language can be changed.

Chairperson Ma asked for public comment. There was none.

Board Action

Motion to approve the Resolution 2019-01 establishing the performance standards:

MOTION:	Peter Mendoza	SECONDED:	David Oppenheim
AYES:	Peter Mendoza, Fiona Ma, David Oppenheim, Thomas Todd, Francis Lau, Elena Gomez, Patti Mericantante		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion Passes		

Agenda Item 4 – Board approval of Resolution 2019-02 authorizing amendment to Agreement No. ABLE 01-18. This amendment provides authorization of fees associated with the planned prepaid debit card for the CalABLE Program. (ACTION ITEM)

Mr. Allen noted the amendment to the resolution is related to the contractual elements of

what fees can be charged to CalABLE account holders and contract requirements to reflect these fees. Mr. Allen stressed that the elements of the card and operations are still in development.

Ms. Andrea Feirstein (*via teleconference*) provided a short summary of the debit and prepaid card offerings across the country.

Board member Oppenheim asked if there were any additional charges for multiple uses of the card. Ms. Linda English responded by stating no and that it is up to participant to use card appropriately.

Board member Lau asked if it was possible to lower the fees and stated that fees shouldn't be the same as a regular bank account. Ms. Linda English responded by explaining that with volume comes lower fees.

Board member Gomez suggested that it be taken into consideration to waive fees in the future if assets reached a certain amount. Board member Mendoza expressed his support for Board member Gomez's suggestion.

Board member Oppenheim stated that evaluation of the card needs to be a priority. Board member Mendoza suggested creating a FAQ that includes some of the questions being asked during meeting.

Chairperson Ma asked for public comment. There was none.

Board Action

Motion to approve the Resolution No. 2019-02 authorizing an amendment to the management agreement to incorporate the fees associated with the card:

MOTION:	Peter Mendoza	SECONDED:	Francis Lau
AYES:	Peter Mendoza, Fiona Ma, David Oppenheim, Thomas Todd, Francis Lau, Elena Gomez, Patti Mericantante		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion Passes		

Agenda Item 5 – Change in 2019 CalABLE Act Board meeting schedule in order to reflect shift to operations. (ACTION ITEM)

Board members heard a proposal from CalABLE staff to reduce meeting frequency to quarterly. It was proposed that for the remainder of 2019, the meetings scheduled for May 28, September 24, and December 17 remain in place as calendared.

Board members Gomez and Mendoza requested that there be an opportunity for

stakeholders and public to inform the marketing strategy and plan developed by Sagent.

Chairperson Ma asked for public comment. There was none.

Board Action

Motion to approve the reduction in meeting frequency to align with operational focus:

MOTION:	Peter Mendoza	SECONDED:	Francis Lau
AYES:	Peter Mendoza, Fiona Ma, David Oppenheim, Thomas Todd, Francis Lau, Elena Gomez, Patti Mericantante		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		
ACTION:	Motion Passes		

Public Comment

Chairperson Ma asked for public comment. There was none.

The meeting adjourned at 2:42 p.m.