

APPROVED
Vera Lyons
Board Secretary
June 8, 2022

The Education Trust Board of New Mexico

THE HONORABLE MICHELLE LUJAN GRISHAM
GOVERNOR OF NEW MEXICO

STEPHANIE RODRIGUEZ, CABINET SECRETARY
NEW MEXICO HIGHER EDUCATION DEPARTMENT



BOARD MEMBERS
GARY L. GORDON, CHAIR
ROBERT J. DESIDERIO, VICE-CHAIR
DR. JOSE Z. GARCIA
LAWTON DAVIS
MONT GREEN

NATALIE CORDOVA
EXECUTIVE DIRECTOR

Meeting Minutes of April 27, 2022
1516 Paseo de Peralta
Santa Fe, New Mexico 87501

Board Meeting was held virtually – all attendees participated virtually

Board Members

Gary L. Gordon, Chair
Robert Desiderio, Vice-Chair
Dr. Jose Garcia, Member
Lawton Davis, Member

ETB Staff (all remote)

Natalie Cordova, Executive
Director
Carolyn Fittipaldi, Director of
Marketing
Vera Lyons, Board Secretary

Meketa Investment Group

Kay Ceserani, Managing
Principal
Eric White, Principal
Nick Buckley, CPA Investment
Analyst

HoganLovells

Helen Atkeson, Partner

Esparza Advertising

Ashley Sterling, Senior
Account Executive
Jamie Rushad-Rushad-Gros,
VP, Experience and Digital

SommerUdall

Kurt Sommer, Partner

Morton Accounting Services

Janet Pacheco-Morton, CPA

Ascensus

Tom Hewitt, VP Relationship
Management
Tom Lowe, VP Investment
Management

Principal

Paul Schieber, Managing
Director, 529 Distribution
Randy Welch, Managing
Director, Portfolio Manager
James Fennessey, Portfolio
Manager, Director of
Research
Jori Horn, 529 Marketing
Director

Sunny505

Dezaree Vega-Garcia,
President
Jerry Matthews, Senior
Account Manager

Member of the Public

Kevin Balaod,
With.Intelligence

1) CALL TO ORDER

The meeting was called to order by Mr. Gordon at 8:30 AM. There was a quorum with four of the five board members present.

2) APPROVAL OF AGENDA

The agenda was approved.

3) APPROVAL OF MINUTES

A motion to approve the minutes of the February 2, 2022 board meeting was unanimously approved.

4) PUBLIC COMMENT

Mr. Gordon called for any public comment. There being none, he moved to the next item.

5) EXECUTIVE DIRECTOR'S REPORT

- a. FY22 Q3 Financial Report – Ms. Cordova introduced Ms. Pacheco-Morton to give the quarterly financial report. She first presented the quarterly financial statements for the fiduciary funds and then presented the Board's program administrative fund.

Mr. Gordon called for a motion to accept the financial reports as presented. Mr. Davis so moved. Mr. Desiderio seconded the motion. The vote to approve the motion was unanimous.

- b. FY2023 Budget Approval – Ms. Pacheco-Morton presented the FY2023 Budget. Discussion took place regarding projected fee related revenue of \$1.9M as presented for discussion. Mr. Gordon also requested Ms. Cordova provide a summary of the Opportunity Scholarship when a question arose from Mr. Lawton. Mr. Desiderio made the motion to reduce the projected revenue for FY2023 related to fees to \$1.8M to maintain the marketing budget, and increase the use of reserve funds to \$800k and review related data at the end of the calendar year. Mr. Davis seconded the motion. The vote to approve the motion was unanimous.

- c. Small Contract Update and Contract approvals – Ms. Cordova presented the FY2023 contracts. Mr. Gordon requested a motion to approve the contracts put before the board for approval. Mr. Desiderio so moved. Mr. Davis seconded the motion. The vote to approve the motion was unanimous.

- d. TEP Scholarship Program Report – Ms. Fittipaldi and Mr. Tandon presented a brief overview of the TEP Scholarship Program idea.

- e. Other Updates – None.

6) PROGRAM MANAGER'S QUARTERLY OPERATIONS AND INVESTMENT REPORTS

Mr. Hewitt presented the FY22 Q3 program manager's quarterly report.

Mr. Lowe presented the FY22 Q3 investment report for The Education Plan (TEP). Mr. Welch and

Mr. Fennessey presented the FY22 Q3 investment report for Scholar's Edge (SE).

(Mr. Gordon called for a five minute break at 10:08 am to return at 10:13 AM. As he had previously informed the other members, Mr. Desiderio was unable to return after the break.)

7) INVESTMENT CONSULTANT'S QUARTERLY REPORT AND WATCH LIST RECOMMENDATIONS

Ms. Ceserani presented the Investment Consultant's Quarterly Report and watch list recommendations.

Mr. Gordon requested Meketa provide more information regarding the fund on the watch list for 18 months. Ms. Ceserani noted Meketa could provide a list of possible replacements and more information on the performance of the fund. Mr. Gordon called for a motion to approve keeping the three funds discussed by Meketa on Watch and adding JP Morgan to the watch list. Mr. Davis so moved. Dr. Garcia seconded the motion. The vote to approve the motion was unanimous.

8) THE EDUCATION PLAN QUARTERLY MARKETING REPORT

Ms. Fittipaldi gave a brief update on outreach activities. Ms. Vega-Garcia and Mr. Matthews with Sunny505 presented the FY22 Q3 PR and traditional media report for TEP. Ms. Sterling and Mr. Rushad-Gros with Esparza presented the FY22 Q3 digital marketing and website report for TEP.

9) SCHOLAR'S EDGE MARKETING, SALES AND DISTRIBUTION REPORT

For Principal, Ms. Horn presented the FY22 Q3 marketing report for SE and Mr. Schieber presented the FY22 Q3 sales and distribution report for SE.

10) ADJOURNMENT

A motion to adjourn was unanimously approved. The meeting adjourned at 11:56 pm.