

The Education Trust Board of New Mexico

THE HONORABLE SUSANA MARTINEZ
GOVERNOR OF NEW MEXICO

DR. BARBARA DAMRON, CABINET SECRETARY
NEW MEXICO HIGHER EDUCATION DEPARTMENT



BOARD MEMBERS
DR. BARBARA DAMRON, CHAIR
ROBERT J. DESIDERIO, VICE-CHAIR
DR. JOSE Z. GARCIA
DAVID JANSEN
MARK JARMIE
EXECUTIVE DIRECTOR
THEODORE MILLER

Meeting Minutes of May 18, 2018
Marriott Courtyard
5151 Journal Center Blvd., Albuquerque NM 87109

APPROVED
Vera Lyons
Board Secretary
8/28/18

Board Members in Attendance

Dr. Barbara Damron -- Chair
Robert Desiderio -- Vice Chair
David Jansen -- Member
Mark Jarmie -- Member

Other Individuals in Attendance

Theodore Miller -- Executive Director ETB
Vera Lyons -- Board Secretary ETB
Janet Pacheco-Morton -- Morton Accounting
Services
Kevin Cox -- Ascensus
Peg Creonte -- Ascensus

Helen Atkeson -- Hogan Lovells US LLP (by
telephone)
Kurt Sommer -- Sommer Udall
Kay Ceserani -- Pension Consulting Alliance (by
telephone)
Chris Werner -- OppenheimerFunds
Patrick Hurley -- OppenheimerFunds
Lori Taylor -- OppenheimerFunds
Andrea Feirstein -- AKF Consulting (by
telephone)
Michele Nelson -- Court Reporter

1) CALL TO ORDER

Dr. Damron, the Chair, called the meeting to order at 9:03 AM. The roll was called and all Board Members were present with the exception of Vice Chair Desiderio and Dr. Garcia. A quorum was present.

2) PUBLIC COMMENT

The Chair called for public comment. There being none, the Chair moved on to the next agenda item.

3) APPROVAL OF AGENDA

Dr. Damron noted the agenda as presented to the Board and asked if there was any comment on the agenda. There being none, she called for a motion to approve the

agenda as presented. Mr. Jansen so moved, and Mr. Jarmie seconded the motion. The motion passed unanimously.

4) WEBSITE PRIVACY POLICY

Dr. Damron asked Mr. Miller to address the proposed website privacy policy. Mr. Miller described the need for a separate privacy policy for the new “front end” marketing website. The policy was designed to allow the collection of analytic data about usage of the new site. The current privacy policy applicable to the “back end” transactional website would remain in place.

Mr. Jarmie asked what would happen in the event that the board saw fit to allow the transition to Ascensus as proposed by OppenheimerFunds. Mr. Miller stated that the new website was designed to be a standalone site, not dependent on the back end site. Mr. Cox of Ascensus stated that the firm could accommodate this type of arrangement, and already had clients with similar arrangements.

Mr. Jarmie also asked Ascensus if the proposed shift of recordkeeping from OppenheimerFunds to Ascensus would provide adequate security for account holders. Mr. Cox noted that Ascensus already provides services for 4.2 million accounts, and that security was a critical concern. He felt confident that the account owners’ information would be adequately protected.

Mr. Hurley also observed that the current privacy policy with regard to the back end transactional website would remain in place.

Dr. Damron noted that Vice Chair Desiderio joined the meeting during the discussion.

Mr. Jarmie made a motion that the new privacy policy for the front end website be adopted substantially in the form presented to the meeting with such changes as the executive director in consultation with counsel deem appropriate. Mr. Jansen seconded the motion.

The vote to approve the motion was unanimous.

5) FINANCIAL STATEMENT ACCOUNTING

Ms. Pacheco-Morton then updated the board on the review of certain items in the trust financial statement for March 31, 2018. She began by reminding the board of two matters. The first was the dramatic changes that occurred in unrealized gains and losses in the trust portfolios. The second was the desire to have detailed trust reporting of subscriptions and redemptions from the portfolios. Currently the trust reporting does not distinguish between exchanges between portfolios and actual new purchases and redemptions representing funds entering and leaving the trust.

She also reminded the board that ETB itself was beginning to test certain trust transactions and values itself apart from the annual testing done by the independent outside audit firm.

She noted that a statistical sampling had been done of underlying trust investments with regard to valuation. That sampling did not result in any exceptions.

She also tried to review portfolios with regard to those with significant market losses, if any. It was not possible to tie the rolled up financial statement information to the total portfolio valuation. This may have resulted from all the activity associated with the restructuring of portfolios that occurred during the year, particularly the closure of certain portfolios.

Mr. Werner noted that a file had just been provided to her that could help resolve that matter. Ms. Pacheco-Morton said she would carefully review the new information.

Mr. Miller noted that there were wide swings in the amount of unrealized gains and losses in the trusts starting in October. It would be useful to examine that activity in more detail to reassure the board on the matter. The second issue was that subscriptions and redemptions are not reported in a way that board staff and the accountant can determine inter-portfolio transactions from true new money into the trust funds and old money out of the trust funds.

Ms. Pacheco-Morton noted that further information would be needed from OppenheimerFunds and its accounting agent – BBH.

Dr. Damron asked if there was any board action that needed to be taken on this item. Mr. Miller stated that no action was being requested at this time, but that staff would come back to the board if that were needed.

6) RECORDKEEPING AND ADMINISTRATIVE OURSOURCING

Dr. Damron then turned to the recordkeeping and administration outsourcing proposal from OppenheimerFunds. She also noted that after the presentation the board would go into closed session to discuss legal and contract matters as provided by law.

Mr. Miller asked Mr. Cox to give a high level overview of Ascensus. Mr. Cox stated that the company had about 2500 employees, and that its principal businesses were retirement plan recordkeeping and servicing the 529 recordkeeping and servicing. About 500 employees were involved in the 529 business, but the business is a proportionally larger overall source of revenue. The firm administers 35 plans across 19 states and the District of Columbia. It has about a 30% market share of the 529 business.

Mr. Werner then addressed the proposal. He noted that OppenheimerFunds would be making a firm-wide transition to the DST transfer agency system. This was scheduled for May, 2019. OppenheimerFunds had initially reviewed the possibility of outsourcing the recordkeeping, administration and customer service for the 529 business to DST. Upon closer review it appeared that the DST 529 system lacked certain features that would be needed for the current 529 business. The system could not currently account for more than one age-based track. TEP currently has two age-based tracks. The gifting platform did not appear to be robust enough to accommodate recurring gifting. In

addition omnibus capabilities were not highly developed. There would have been substantial cost and time involved to address these matters.

OppenheimerFunds then turned to Ascensus as a potential solution. The Ascensus proposal would outsource recordkeeping, administration and customer service to Ascensus. OppenheimerFunds would retain responsibility as program manager, including investments, distribution and marketing.

He noted that Ascensus has enhanced gifting capability, better transactional website functionality, omnibus accounting capabilities, the ability to handle ETFs and more functionality for RIAs.

In this arrangement the contract would be between OppenheimerFunds and Ascensus.

Mr. Jarmie asked Mr. Werner if OppenheimerFunds belief and opinion were that board approval of the outsourcing contract was necessary. Mr. Werner stated that OppenheimerFunds did believe this because it was a sub-advisory contract under the program manager agreement. He stated that the Oppenheimer Funds legal counsel thought that board approval was necessary.

Mr. Sommer asked if the board would have any privity of contract or third party rights in the proposed contract. Neither Mr. Werner nor Mr. Hurley could answer the question.

Ms. Atkeson noted that the program manager agreement provides that the board is a third party beneficiary of any sub-contract.

Mr. Sommer asked who would own the information under the contract. Would it be freely transferable if a new program manager were chosen in the future?

Mr. Miller noted that all plan information is the property of the board. Mr. Cox and Ms. Taylor agreed, as did Mr. Hurley and Mr. Werner. Mr. Miller also stated that the board has access to all information belonging to it at any time. Including the right to send auditors into the firms holding the information. Mr. Cox, Ms. Creonte and Mr. Werner agreed. Mr. Hurley noted that all OppenheimerFunds contract relationships were set up in this way.

Mr. Hurley then addressed the slide presentation. He presented a diagram of the current OppenheimerFunds systems, and then noted the proposed changes to the systems. The goal is to move from four different platforms with three different providers to two different platforms with a single provider.

Mr. Miller then went through the diagram in more detail. He noted that the retail and group recordkeeping business by far the largest part of the firm's business with \$220 million in assets on the retail side including the broker-dealer and retail accounts. The next largest piece is the group business with \$14 billion and over 900,000 accounts. Mr. Hurley confirmed the numbers.

Mr. Miller noted that these businesses are currently on the firm's internal systems. Mr. Miller asked if these business would be completely outsourced for servicing or if OppenheimerFunds personnel would continue to service them. Mr. Hurley stated that

most of the transfer agency personnel would remain. It was the technology platform that was being outsourced. Only the mail facility was being completely outsourced.

Mr. Miller then asked Mr. Hurley to explain the relationship between the firm and Envision. Mr. Hurley stated that Envision is a company that supplies the Power Agent recordkeeping system for the 529 business as well as for the Institutional Government Money Market Fund.

Mr. Miller then asked Mr. Hurley if this Envision system is the same underlying system used by Ascensus. Mr. Hurley confirmed that it was.

Mr. Hurley then stated that Envision provides the system but that OppenheimerFunds employees use the system, which is installed at OppenheimerFunds.

Mr. Miller asked Ascensus if that is the same relationship that Ascensus has with Envision. Mr. Cox observed that Envision is used as a subsystem to the middle-tier software that users see. Ascensus has crafted its own internal software known as "Unite". Unite plugs into the Envision Power Agent platform for certain back-office functions. Mr. Cox thought that the transition to Ascensus should be relatively straightforward due to the common use of the Power Agent system.

Mr. Miller then turned back to the OppenheimerFunds presentation diagram. He noted that there was about a \$5 billion institutional business, and a \$3.6 billion 529 business with about 180,000 accounts. He also asked Mr. Werner to confirm that the State Farm business would be leaving OppenheimerFunds to become part of the Nebraska NEST program in August. Mr. Werner confirmed this. Mr. Werner confirmed that the firm would be servicing only two 529 programs – New Mexico and the Private College Prepaid 529 program.

Mr. Miller observed that OppenheimerFunds has a very large conversion going on, with the 529 business effectively the tail on the dog. Ms. Taylor and Mr. Hurley confirmed this, but Ms. Taylor stated that the 529 business was still important to the firm.

Mr. Hurley then observed that the decision was made not to use the DST 529 system. It was determined that the Scholar'sEdge Portfolio Allocator would not be available on the DST system. The two age-based tracks in TEP could not be supported. The daily age-based rolls were only monthly on the DST system. In addition there would be substantial changes required to address board reporting, statement confirmations and account access websites.

OppenheimerFunds began to look for an experienced 529 service provider that would provide for limited disruptions to the current account owners as well as a provider with the ability to add enhancements to the program. This resulted in the choice of Ascensus.

As previously stated, OppenheimerFunds would retain program management responsibility including oversight of Ascensus, investment management, distribution and marketing support.

Mr. Miller asked who at OppenheimerFunds would oversee the Ascensus relationship. He noted that in a previous telephone call the firm's representative could not confirm whether or not the current 529 operations liaison, Heather Holliday, would continue in that position until the end of the contract term. Ms. Taylor confirmed that Ms. Holliday would remain committed to the 529 business. In addition to the other personnel that will interact with Ascensus, she would have the primary oversight role for the firm.

Mr. Miller then observed that the board owes a fiduciary duty to the participants in the 529 program. Any conversion is inherently risky. In fact there are two conversions going on – one for the transfer agency system and one for the 529 outsourcing. He asked Ms. Taylor when the transfer agency conversion was to be done. She stated that it would occur in May, 2019.

Mr. Hurley then listed all the functions to be sub-contracted to Ascensus. These include Phone support, mail processing, account processing, fraud monitoring, maintenance of books and records and output.

Mr. Hurley then noted the benefits to the program of the proposal. These include the Ascensus platform as well as the focus of the firm on the 529 business. RIA support is present in the 529 Quick View" tool. Omnibus accounting is available on the Ascensus platform. There is enhanced gifting functionality through the Ugift platform. ETFs can be offered on the Ascensus platform. In addition Ascensus has partnered with a company to support 529 grant programs.

Mr. Miller acknowledged the potential value of such a grant administration system, but Dr. Damron noted the difficulty of getting the in-state approvals necessary to go forward with such a program.

Mr. Miller then noted that the fact that omnibus accounting was available on the Ascensus system did not guarantee that brokers would be willing to adopt omnibus accounting for the New Mexico program. The prime responsibility for adopting omnibus accounting was with the investment management firm. Brokerage firms will adopt omnibus accounting relationships with firms that they favor for business reasons. OppenheimerFunds currently does not have such relationships for its 529 business. In addition the brokerage firms require the investment firms to pay for the system changes necessary to adopt omnibus accounting. Ms. Taylor and Mr. Hurley agreed that OppenheimerFunds would bear these costs.

Ms. Taylor also noted that the brokerage firms will also look at the length of the 529 contract for the investment firm. That is why OppenheimerFunds suggested a contract extension beyond the end of FY2020 for the program management contract.

Mr. Miller also noted OppenheimerFunds has been talking about enhancements such as omnibus accounting and better gifting for some time. The fact of the matter is that all these enhancements remained dead in the water once OppenheimerFunds made the decision to outsource the 529 business. No further internal development on such enhancements has taken place. As OppenheimerFunds was trying to decide what to do

with its business time peeled away on the contract. Mr. Miller stated that from his perspective it was pretty late in the day to propose a major conversion effort.

From the ETF perspective, OppenheimerFunds has relatively few ETFs, and many of these have little or no track record. Mr. Werner stated that it was not the firm's goal to build a proprietary ETF business and force it on the 529 program.

Mr. Hurley noted that the firm has more than 20 omnibus relationships on the retail side of the business. This should give the firm some basis to go forward with 529 omnibus accounting. Mr. Miller noted that the firm has been servicing the New Mexico program since 2005, and no progress has been made on the matter. Even if omnibus accounting is a more recent occurrence, other 529 programs have established relationships. For example, American Funds is omnibus with 5 firms.

Mr. Hurley then addressed the concern about oversight of Ascensus by OppenheimerFunds. He noted that on the retail side there is a very robust oversight program for the 20 brokers with whom the firm has omnibus relationships. That program is now being expanded to third party transfer agent platform providers. The firm is fully committed to proper oversight.

Mr. Hurley also noted that the transfer agency system move to DST would be to an industry standard platform instead of an in-house system. The potential to work with Ascensus to buy, and not build, capability and functionality is important to OppenheimerFunds. He noted the difficulty of executing 529 systems changes in the past due to the needs of the retail unit. He thought that the initial enhancements from Ascensus would boost 529 sales.

Mr. Miller asked if there was a contract with Ascensus. Mr. Hurley stated that there was not. Mr. Miller asked if the new system might cause OppenheimerFunds to pursue 529 business with other states. Ms. Taylor noted that it is a more viable model than the one in use today, and would allow them to pursue growth.

Mr. Miller asked if this included program management of 529 business for other states. Mr. Werner and Ms. Taylor stated that there were no plans to pursue program management with other states. Ms. Creonte noted that Ascensus focuses on one state for each distributor.

Ms. Feirstein asked if the Private College 529 would move to Ascensus. Ms. Taylor said that it would, and that the plan was already aware of this possibility.

Mr. Hurley then continued the presentation. He noted that the telephone service would switch to Ascensus as well as mail operations and processing, correspondence, creation and sending of forms, website and account access. He noted that there would be two checks on fraud, both Ascensus and OppenheimerFunds have fraud monitoring capabilities.

Mr. Miller asked if Ascensus could handle a marketing front end website that was the property of the state, and link it effectively to the transactional back end maintained by Ascensus. Mr. Cox stated that this could be done.

Mr. Miller gave a brief overview of some of the frustrations with the web team at OppenheimerFunds. Web development was a time consuming task, and corrections were often needed to the design after launch.

Mr. Cox stated that Ascensus has a dedicated user experience team. The firm also has a content management system that can respond quickly, if necessary, to website changes.

Ms. Creonte noted that there is a staging environment for website design which states can access for their own review. The state can be involved in quality assurance review if it chooses to do so.

Mr. Cox noted that the website design was fully responsive to different devices.

Mr. Jarmie asked if OppenheimerFunds would delegate more of the functions that it performs to Ascensus as time went on. Ms. Taylor said that that was not the firm's intention.

Mr. Desiderio asked if this wouldn't be controlled by contract, requiring OppenheimerFunds to come to the board for approval. Ms. Taylor and Mr. Hurley agreed with the statement.

Mr. Jarmie then asked if OppenheimerFunds as a firm was committed long term to the 529 business, or was the rationale to slide the entire 529 program gradually into Ascensus.

Mr. Werner stated that that was not the intention, and that OppenheimerFunds was committed to the business for the long haul.

Dr. Damron noted that the board was concerned due to all the internal changes in the 529 business that had occurred internally at OppenheimerFunds. She did not question so much the reasons for wanting to make this change, but it was very late in the contract cycle. In addition, the previous changes inside the firm had cost the program time, lost accounts and lost assets.

Ms. Taylor stated that OppenheimerFunds would like to see a contract extension, and to pursue opportunities for omnibus accounting with brokers.

Dr. Damron noted that an extension would no doubt be beneficial to the firm. She observed that a lot of promises were made to the board and not fulfilled. The board had to be concerned about the 529 program.

Mr. Miller then reminded OppenheimerFunds of the history of the relationship, including the Core Bond fiasco and the ensuing costly litigation and settlement. He also noted that the entire program had gone into net distribution in 2012. The excuse was made that the program was one of the first programs and so this was to be expected due to more competition and the aging of the account base. He noted that other similarly situated 529 programs had been able to grow assets and accounts. He characterized that lack of asset and account growth as pathetic.

Dr. Damron reminded the firms of the amount of work that the program had to do with the legislative and executive branches of government to repair the damage from the Core Bond fiasco.

Mr. Miller then noted promises made with the new contract entered into in 2015 about omnibus accounting. In fact the age-based investment design proposed by OppenheimerFunds foreclosed the opportunity to go omnibus with brokers.

He then noted the four changes in the management of the 529 program within OppenheimerFunds since the new contract was signed. In each case program enhancements came to a halt as the successive new management teams took time to understand the business.

Dr. Damron noted that OppenheimerFunds came to the meeting with a lot of baggage. This affects the board's view of the matter.

Mr. Hurley then moved on in the presentation to discuss conversion activity. He noted that account owners would need new user IDs and passwords to access their accounts. The mailing address would also change. Forms would have a different design.

He then turned to Mr. Cox to give an overview of Ascensus. He noted that the firm has been in business for 35 years and has 2,500 employees. The firm has over 8 million account owners in its various businesses. These businesses are focused on retirement and health benefits in addition to education savings. The core competency of the firm is recordkeeping and administration. It does not offer investment products. The firm works with 19 states and the District of Columbia for 529 servicing. There are different service models ranging from serving as program manager to states or working as the record keeper and administrator for an investment management partner. He then went into some detail about the models used with various states.

Ms. Creonte then spoke about the firm's expertise in conversion of accounts. She noted that, of the 35 529 plans served by the firm, 25 came into the firm through conversions. Due to this expertise, the firm typically runs the conversion process. The firm has considerable experience with the employer payroll deduction process for 529 contributions. Since communication with account owners is key, the firm maintains a dedicated communications team.

She noted that data migration from the old platform to the new platform is a critical step in a conversion. There is a team dedicated to data migration. Mock conversion exercises are held to assure that problems are identified and corrected prior to the actual conversion. She then described the mock conversion process and the timing in some detail.

She also noted that there will be a servicing migration as well. Ascensus service representatives will be trained on the new plans.

There is an analysis done of trading activity, cash management and banking relationships. Weekly meetings are held with the outgoing provider. The state is welcome to participate in any meetings.

She then reviewed some recent conversions, including the \$7 billion Rhode Island plan. A new site was opened in Rhode Island to service the plan. The plan converted in the middle of the disbursement process for distributions to account owners and schools. The conversion went off well.

In the case of the District of Columbia plan Ascensus bid as program manager. During the conversion the prior provider, Calvert, went out of business and filed for bankruptcy. Ascensus had to take total control of the conversion, and work with Calvert's former service providers such as BFDS. In addition the small size of the broker sold plan meant that that plan was collapsed into the direct sold plan. It was a challenge to make the process as seamless as possible for account owners.

Dr. Damron asked how many Ascensus plans had changed program manager. Ms. Creonte stated that none had. Ascensus had decided not to rebid on the Iowa advisor sold plan, and North Carolina had taken its 529 plan in-house.

Mr. Jarmie asked if Ascensus intended to bid on the New Mexico plans when they came up for bid. She stated that they probably would. She believed that the partnership with OppenheimerFunds would work well. She noted the similar arrangements Ascensus has with J.P. Morgan in New York and Invesco in Rhode Island for advisor sold plans.

She also noted that Ascensus had recently converted the Tennessee plan, which was on the Envision platform, and the conversion had gone well.

Mr. Miller noted that it was still necessary to negotiate a contract between Ascensus and OppenheimerFunds, and then to do the conversion. He noted that the presentation materials stated that a conversion with no problems would take 5 months to complete. That would take the conversion into the first quarter of calendar 2019.

Ms. Creonte stated that the conversion process and the contract negotiations usually are done at the same time.

Dr. Damron asked ETB counsel if they would advise this process. Mr. Sommer noted that ETB still had to approve any contract that was created. Ms. Atkeson stated that the next step should be review and approval of the completed contract. She didn't see how the conversion process could go forward before that.

Mr. Miller noted that the process wouldn't be complete until sometime in the first quarter of 2019. By the summer of 2019 the program manager contract would be out for rebid. Meanwhile in May 2019 OppenheimerFunds would go through a conversion of the transfer agency system. In practical effect the account owners would potentially go through 3 conversions in a short periods of time. The proposed conversion would result in username and password changes, a different mailing address and somewhat different documents. Then a subsequent 529 conversion would likely result in not only

those changes again, but also a new set of investments. He noted that a major concern for the board as a fiduciary was the stability of the program.

Mr. Desiderio asked what would be the result if the board did not approve of the conversion. Ms. Taylor stated that OppenheimerFunds would explore remaining on the Envision platform. She did not think that this was the right long term answer. She noted that the firm as a whole was moving to a different outsourced service model for its overall business.

Mr. Desiderio stated that he interpreted that to mean status quo for the 529 program until the rebid process. Ms. Taylor agreed, but noted that they would have to think more deeply about what that meant for the interim.

Mr. Jarmie asked if OppenheimerFunds staffing for the 529 business would remain as it is now if a switch were made to Ascensus. Mr. Hurley and Ms. Taylor thought that most would be repurposed inside OppenheimerFunds in the transfer agency operation. There might be some reduction because some of the people supporting the legacy transfer agency system would no longer be needed.

Ms. Feirstein asked if Ascensus was prepared to absorb the cost of a conversion, knowing that the board would rebid the program manager contract in a short period of time. Mr. Desiderio stated that the assumption should be that there would be no extension of the present OppenheimerFunds contract.

Ms. Creonte stated that they would like to have a long term relationship with the state of New Mexico, and that a short term contract followed by another program manager winning the rebid would be a money loser for them.

Dr. Damron noted that she was interested in how many prior changes of investment manager/program manager partners had as states went to contract rebid. Ms. Creonte noted that New York changed the advisor sold program manager and Missouri terminated its advisor sold plan. Other than those two, the relationships with investment managers/program managers had been stable.

Mr. Jarmie asked if Ascensus was willing to bet that in the rebid OppenheimerFunds will be the successful bidder. Ms. Creonte agreed. She thought that some of the current problems with the platform would be improved by the partnership. She stated that the current proposal was not dependent on a contract extension for OppenheimerFunds.

Ms. Feirstein asked about the RIA capabilities. She noted that this was part of the direct sold program in other states like Colorado, and that Ascensus did not have an RIA share class for its advisor programs. Ms. Creonte confirmed that this was currently the case.

Ms. Feirstein then asked if the advisor programs were also being run on PowerAgent. The Envision platform. Mr. Cox and Ms. Creonte confirmed that this was the case. A switch had been made from DST some years ago. Ascensus was processing both direct sold and advisor sole plans on PowerAgent.

7) CLOSED SESSION PURSUANT TO NMSA 10-15-1.H. (6) AND (7) TO DISCUSS CONTRACT AND LEGAL MATTERS

At this point the presentation concluded, and Dr. Damron called for a motion to go into closed session to discuss legal and contract matters. Mr. Jarmie so moved. Vice Chair Desiderio seconded the motion. Mr. Jarmie voted yes. Mr. Desiderio voted yes. Mr. Jansen voted yes, and Dr. Damron voted yes. The vote to go into closed session was unanimous. The board went into closed session at 11:01 AM.

At 12:00 PM Dr. Damron asked for a motion to go back into open session. Mr. Jarmie so moved. Vice Chair Desiderio seconded the motion. Mr. Jarmie voted yes. Mr. Desiderio voted yes. Mr. Jansen voted yes, and Dr. Damron voted yes. The vote to return to open session was unanimous.

8) ADJOURNMENT

Dr. Damron then asked for a motion to adjourn. Mr. Jansen so moved. Mr. Jarmie seconded the motion. The vote to adjourn was unanimous. The meeting was adjourned at 12:00 PM.