

The Honorable Susana Martinez
Governor of New Mexico

José Z. Garcia
Cabinet Secretary
New Mexico Higher Education Department

Board Members
Robert Watson, Chair
Robert J. Desiderio, Vice Chair
Robbie Heyman, Esq.
Trevor Serrao, Student Member



Education Trust Board of New Mexico

February 9, 2012
New Mexico Higher Education Department
2048 Galisteo St. Santa Fe, New Mexico 87505

APPROVED

Board Members in Attendance

Phil Archibeck, Chair
Kevin Deiters, Executive Director
Robert Desiderio, Vice Chair
Trevor Serrao, Student Member
Robbie Heyman, Member

Other Individuals in Attendance

Cia Tapia – ETB, NMHED
Anthony Chavez – REDW
Javier Machuca – REDW
Rosemary Bechhi - Partner – Patton Boggs
Phil Fagan – Partner – Patton Boggs
Jeremy Theissen- Managing Director – Pension Consulting Alliance
Andrea Fierstein – Director CAP Consulting Group – Pension Alliance
Jose Garcia – Secretary Higher Education
Carla Martinez – State Auditors Office
John Boyd – Goldberg, Freeman
Sonya Balle – Oppenheimer Funds
Christina Martinez- Rothstein Firm
Vance Potter – Rust Consulting
Bob Krugman – Rust Consulting
Deborah DeMella – NMHED
Bill Rainer – Oppenheimer

Cynthia Reinhart – KPMG
Ken Henry – Oppenheimer Funds
Rocky Granahan – Oppenheimer Funds
Ross Burkstaller – Oppenheimer Funds

Call to Order: Because a quorum was present the Meeting was called to order at 1: 05 PM by Phil Archibeck.

Both Phil Archibeck and Kevin Deiters gave brief backgrounds about themselves.

Phil Archibeck asked Dr. Garcia to give a brief update on legislative action. He thanked the board for the wonderful job they have done this year.

Dr. Garcia also spoke to the direction of the Higher Education Department for the future, and what role the Education Trust Board will play.

He stated that we need to have a 529 plan that is attractive enough to reach out to more and more populations. He stated that we cannot have a globally competitive society in New Mexico unless and until we close the achievement gap. He stated that we have to have a 529 plan that people like and that people trust and that rewards people for the investments that they have made. He feels that this is the direction that the Education Trust Board needs to go in. The Education Trust Board needs to improve the product, so that it is more attractive to the people of New Mexico, and also at the national level. Once we improve the product we need to reach out to ensure that all of our population understands what their options are in terms of saving up for college.

He spoke of Senate Bill 246 that would do away with the Education Trust Board and place the monies under the State Investment Council. He stated that the Legislative Finance Council was not aware of what was going happening on with the board until they sat down with Dr. Garcia and Board members explained the situation. After Dr. Garcia sat down with the Legislative Finance Council and explained what was going on there was some feedback. Some of the feedback was negative.

Dr. Garcia would like to see the Education Trust Board stay in Higher Education, because he feels that the Board has a significant role to play in contributing to Higher Education.

Robbie Heyman thanked the Secretary for all of the assistance that the Higher Education Department has given to the board.

Phil Archibeck stated that he skipped the approving of the minutes of the prior meeting. Robbie Heyman stated that the only change to the minutes would have been that the board went back into Executive Session adjourning at approximately 4:45PM.

Robert Desiderio made a motion that the minutes be approved and Trevor Serrao seconded the motion. The minutes were approved unanimously.

Robert Desiderio then made a motion that board go into executive session. The motion was seconded by Robbie Heyman. A roll call vote was taken and all members voted to adjourn to Executive Session.

All counsels were asked to attend Executive Session.