
DECEMBER 11, 2024

AGENDA ITEM 1

ACTION ITEM

CALIFORNIA ABLE ACT BOARD

Approval of Minutes from October 1, 2024, and November 6, 2024, Meetings

Attachments

- Attachment #1 – CalABLE Board October 1, 2024, Meeting Minutes
- Attachment #2 – CalABLE Board November 6, 2024, Meeting Minutes

Recommended Action – Approve meeting minutes

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MINUTES
CALIFORNIA ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) ACT BOARD

OCTOBER 1, 2024

Chair Tom called the meeting to order at 1:32 PM.

California ABLE Act Board Members Present:

- [Stephanie Tom for](#) Fiona Ma, State Treasurer, Chair
- David Oppenheim for Malia Cohen, State Controller
- Carla Castañeda for Pete Cervinka, Acting Director, Department of Developmental Services
- Thomas Todd for Joe Stephenshaw, Director, Department of Finance
- Ana Acton for Joe Xavier, Director, Department of Rehabilitation (via teleconference)
- Cathay Liu for Wesley Witherspoon, Chairperson, State Council on Developmental Disabilities (via teleconference)
- Jenny Yang for Ligia Zuniga, Chairperson, State Independent Living Center (via teleconference)

California ABLE Act Board Staff Present:

- Thomas Martin, Executive Director
- Anne Osborne, Deputy Executive Director
- Madeline Handy, Associate Governmental Program Analyst
- Cynthia Reed-Aguayo, Retired Annuitant Associate Governmental Program Analyst
- Omar Abuaita, Student Intern

State Treasurer's Office Staff Present:

- Monica Jimenez, General Counsel, State Treasurer's Office

California ABLE Act Board Consultants Present:

- [Aysun Kilic, FGACFA](#), Consultant/Portfolio Strategist, Meketa Investment Group [\(via teleconference\)](#)
- [Kay Ceserani, Principal/Consultant, Meketa Investment Group](#) [\(via teleconference\)](#)
- Juliana Crist, Consultant, AKF Consulting Group (via teleconference)

CalABLE Plan Manager, Vestwell State Savings, Staff Present:

- David Bell, Vice President, Vestwell State Savings [\(via teleconference\)](#)
- Bret Valerio, Senior Portfolio Manager, BNY Advisors [\(via teleconference\)](#)

Chair Tom declared a quorum present.

Agenda Item No. 1
Approval of Minutes from July 9, 2024, California ABLE Act Board Meeting

The minutes for the July 9, 2024, California ABLE Act Board (CalABLE or Board) meeting were presented to the Board.

Public Comment

None.

Board Action

Motion to approve the minutes for the July 9, 2024, CalABLE Board meeting.

STEPS TAKEN	BOARD MEMBERS
MOTION:	Member David Oppenheim
SECOND:	Member Ana Acton
AYES:	Members Stephanie Tom, David Oppenheim, Thomas Todd, Cathay Liu, Ana Acton, Jenny Yang
NOES:	None
ABSTAIN:	Carla Castañeda
NOT PRESENT:	None
ACTION:	MOTION PASSED

Agenda Item No. 2
Executive Director’s Report

Thomas Martin, CalABLE, provided an update. CalABLE had an increase of accounts and account growth remains strong with 661 accounts opened in Q2. Funded accounts crossed 12,000 in August. CalABLE is focused on making loan payments by 2032, with a goal of self-sustainment to maintain ongoing growth.

Goals for Next Quarter:

- Focusing on the launch of audience-targeted campaigns such as among parents with children.
- Continued growth in accounts and account use.
- Rapid progress in approving consultant contracts.

Member Oppenheim commented that he is thrilled to see new accounts and increase in account usage. Increase in fees, while difficult to suggest, is important to pay back loans and continue sustainability.

Member Oppenheim asked for confirmation that seeding \$15,000 for outreach campaigns is under the program authority to do so. Mr. Martin confirmed that this is under CalABLE’s contract with Vestwell.

Member Oppenheim asked for follow-up on that strategy to see how many accounts CalABLE opened and how much additional money might be under management as a result. Mr. Martin commented that one way to track that could be with the regional center agencies. The hope would be to do group enrollment, and CalABLE staff are working with the regional centers about targeted outreach. CalABLE staff are working with the Association of Regional Center Agencies to determine which materials are most relevant for their clients and to develop new materials for adults and parents.

Member Oppenheim asked about making the mobile app more California specific and how can CalABLE make this information more open to the general public. Mr. Martin commented that the mobile app just went live last week and it's a Vestwell branded app. CalABLE and Vestwell are working on the CalABLE App under the California label.

Member Oppenheim commented that it's important to keep in mind that CalABLE gives people tax-advantaged money. Member Oppenheim commented that there was a marketing contract that was terminated, and while he fully supports this action, he requests that the Board be informed of such actions. Member Oppenheim commented on the importance of translating CalABLE materials to other languages.

Member Castañeda shared experience the Department of Developmental Services has had with language translation.

Chair Tom asked if CalABLE has enough money in the budget to fund the prepaid cards. Mr. Martin commented that half the fees are paid by Vestwell and the Board agreed to cover half of the costs by committing \$2.50 per fee.

Member Liu asked if translation interpretation in Spanish is available for webinars and is Vestwell working on translating the program disclosure in multiple languages. What are the languages besides Spanish and Chinese? Mr. Martin responded that CalABLE is going through a process of translating multiple languages starting with Cantonese. The goal is to translate the top 5 languages used in California.

Public Comment

None.

Agenda Item No. 3 Strategic Plan Update

Mr. Martin provided that CalABLE is creating a strategic plan. This item included a draft of a mission, vision, and values statements.

Member Oppenheim asked that the materials for the November Board Meeting be posted at least a week or two in advance. Member Oppenheim commented that an "equitable world" in the vision statement is out of our control, but he would love to work for an "equitable California". Member Oppenheim commented that he would like to see Diversity, Inclusion, and Equity higher on the values statements.

Public Comment

None.

Agenda Item No. 4

Resolution No. 2024-04: Approval to Increase Executive Director’s Signature Authority to \$500,000

Mr. Martin provided information on Resolution No. 2024-04 delegating to the Executive Director authority to enter into contracts not to exceed \$500,000.

Public Comment

None.

Board Action

Motion to approve Resolution No. 2024-04.

STEPS TAKEN	BOARD MEMBERS
MOTION:	Member Carla Castañeda
SECOND:	Member David Oppenheim
AYES:	Members Stephanie Tom, David Oppenheim, Thomas Todd, Cathay Liu, Ana Acton, Carla Castañeda, Jenny Yang
NOES:	None
ABSTAIN:	None
NOT PRESENT:	None
ACTION:	MOTION PASSED

Agenda Item No. 5

Resolution No. 2024-05: Approval of the ENABLE Act Statement of Support

Mr. Martin provided information on Resolution No. 2024-05 in support of the federal Ensuring Nationwide Access to a Better Life Experience (ENABLE) Act (S. 4539/H.R. 9614) to permanently extend key federal tax provisions for the benefit of the California ABLE Act Program.

Public Comment

Raymond Juballa commented that he wanted to check in about the ABLE to Work program. He is an SSI user and is still trying to understand how money he earns would be deducted from his check. When he is ready to begin working, he would want to see ABLE to Work still open and available. Mr. Martin responded that CalABLE staff can get in touch about work deductions and the CalABLE program.

Board Action

Motion to approve Resolution No. 2024-05.

STEPS TAKEN	BOARD MEMBERS
MOTION:	Member Ana Acton
SECOND:	Member Carla Castañeda
AYES:	Members: Stephanie Tom, David Oppenheim, Cathay Liu, Ana Acton, Carla Castañeda, Jenny Yang
NOES:	None
ABSTAIN:	Thomas Todd
NOT PRESENT:	None
ACTION:	MOTION PASSED

Agenda Item No. 6 Quarterly Performance Report (2Q24)

David Bell, Vestwell State Savings (Vestwell), presented the Quarterly Performance Report for CalABLE for the Second Quarter 2024, providing information about the mobile app, program overview, and additional products and features.

Bret Valerio, BNY Advisors, introduced himself to the Board.

Member Oppenheim commented that on the mobile app, he was disappointed to see the Apple app come out before the Android App. Member Oppenheim also commented that he does not like the idea of weather boosters, as they do not encourage strategic and timely investments.

Chair Tom asked who is responsible for creating the app for Vestwell. Mr. Bell responded that the Vestwell engineering team is responsible and includes some outside specialists. Chair Tom asked for clarification on whether the app is co-branded with other states or is there an app just for California. Mr. Bell commented that in terms of the timeline, Vestwell needed to launch a unified app for all their savings programs. CalABLE is the first program that they are looking to make specific for its own app on Apple and Android. This is to happen after the Vestwell ABLE apps are released on Apple and Android.

Public Comment

Rob Waring commented that he is the father and conservator for an intellectually disabled adult who is working at a weekly job. Mr. Waring manages the ABLE account and deposits the funds into her account. His daughter is paid weekly, and every week he has to make these deposits himself. He is astounded that Vestwell does not allow the functionality to make multiple deposits on bank accounts over the week for recurring transfers. For CalABLE to maximize self-determination, he asks that Vestwell please provide this functionality for recurring contributions. Mr. Bell responded that Vestwell is adding additional frequency options to the recurring contributions and has already added bi-weekly. Mr. Martin asked if Mr. Waring could share his information so that CalABLE could get back to him.

Agenda Item No. 7 Performance & Evaluation Report (2Q24)

Aysun Kilic, Meketa Investment Group, reviewed the CalABLE Investment Performance and Evaluation for the Second Quarter 2024. This included information on the economic and market update, index returns, plan assets, and portfolio and underlying fund results.

Member Oppenheim commented that CalABLE went from 4 portfolios to 8. Of those, 3 of the investment options, the conservative growth, income and the income portfolio, are at 1%, with the majority of folks who seem to have these very conservative profiles going into the FDIC insured portfolio. He wanted to make sure that the portfolios are not unnecessarily running up costs. ~~Kay Ceserani, Meketa Investment Group, responded that some of the accounts are growing small but these accounts are still growing. The average CalABLE plan is still growing and we must provide a number of options that are diversified.~~ Kay Ceserani, Meketa Investment Group, responded that while some portfolios have a smaller amount of assets, they are growing in terms of the number of accounts. The number of portfolios CalABLE offers is in-line with the industry as on average ABLE plans offer between 6-7 options for participants to choose from. Ms. Ceserani believes the plan is providing an appropriate number of options across the risk spectrum and would expect the newer portfolios to continue to grow.

Member Oppenheim commented that there should be an explanation as to why the investment performances are under the benchmarks.

Public Comment

None.

Public Comment

Raymond Juballa commented that he did not believe that Robert's Rule of Order was being followed for the action items. Monica Jiminez clarified that the Board may not follow Robert's Rule of Order exactly but ensures that the public has opportunities to comment on the action items.

There was no further business before the Board. The Chair adjourned the meeting at 3:30 PM.

MINUTES
CALIFORNIA ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) ACT BOARD

NOVEMBER 6, 2024

Chair Stephanie Tom called the meeting to order at 1:30 PM.

California ABE Act Board Members Present:

- Stephanie Tom for Fiona Ma, State Treasurer
- David Oppenheim for Malia Cohen, State Controller
- Carla Castañeda for Pete Cervinka, Acting Director, Department of Developmental Services
- Ana Acton for Joe Xavier, Director, Department of Rehabilitation
- Cathay Liu for Wesley Witherspoon, Chairperson, State Council on Developmental Disabilities (via teleconference)
- Jenny Yang for Ligia Zuniga, Chairperson, State Independent Living Center (via teleconference)

California ABE Act Board Staff Present:

- Thomas Martin, Executive Director
- Anne Osborne, Deputy Executive Director
- Madeline Handy, Associate Governmental Program Analyst
- Cynthia Reed-Aguayo, Retired Annuitant Associate Governmental Program Analyst
- Sai Arjula, Student Intern

State Treasurer's Office Staff Present:

- Monica Jimenez, General Counsel, State Treasurer's Office

California ABE Act Board Consultants Present:

- Juliana Crist, Consultant, AKF Consulting Group

Chair Tom declared a quorum present.

Agenda Item No. 1 Executive Director's Update

Thomas Martin, CalABLE, introduced CalABLE intern Sai Arjula to the Board. Mr. Martin informed the Board that the annual contribution limit has increased to \$19,000 for 2025. Mr. Martin also mentioned that CalABLE is doing more outreach with other agencies. He asked the Board if they would be able to provide contacts.

Member Acton commented that she appreciated a presentation done by CalABLE for the Department of Rehabilitation.

Public Comment

None.

Agenda Item No. 2 Strategic Plan

Thomas Martin, CalABLE, provided an overview for how the meeting would run. Mr. Martin read the strategic plan while the Board provided comments on each part.

Introduction - Background

Member Castañeda: There are inconsistencies in the language.

Member Oppenheim: Would like “financial dreams” changed to “financial goals”.

Chair Tom: The sentence “Although our motivations are the same, our focus is rightly evolving” either needs to be clarified or taken out.

Member Liu: Customer service staff are not always able to answer questions from CalABLE account holders. She would like this to be a focus, later in the strategic plan.

Introduction – Six Key Areas

Member Oppenheim: The key area “Growth” should have a modifier such as “Strategic Growth.” The Board determined they would come back to this later.

Member Castañeda: The Board might also want to look at the order of the key areas.

Member Acton: What does “Financial” Design mean?

It was determined the Board would look at the six key areas in depth and come back to these sections in the introduction.

Introduction – Primary Audiences

Member Oppenheim: On Current CalABLE participants, investment offerings should be before online platform.

It was discussed by the Board that the order could be changed to have investment offerings and customer service at the front.

Member Castañeda: “Address any gaps” is too vague.

Member Castañeda: Was not sure what underreached populations meant.

Mr. Martin clarified this meant non-English speakers, geographic areas with a low number of CalABLE account holders, and other demographics that might be missing such as age, race, and gender. Chair Tom commented that the audience should be described with bullet points at the end of the paragraphs.

Member Acton: Asked if stakeholders are an audience.

Chair Tom: “Community Partners and Stakeholders” should replace the third Primary Audience of “Internal and External Teams.”

Introduction – Vision

Member Oppenheim: The vision is outside of the scope of CalABLE.

Member Acton: Liked the lofty vision, but it could be narrowed to financial security to pursue goals and dreams.

Introduction – Mission

No comments.

Introduction – Core Disability Values

Member Castañeda: “Self-determination” is a program, using the same term could lead to confusion. Self-advocacy was posed as an alternative.

Chair Tom: Some of the core disability values overlap with program values. It was discussed to restructure this section after the meeting.

Member Oppenheim: The diversity, equity, and inclusion (DEI) language does not match what is in other investment programs. The bullet points under DEI are just good outreach approaches, but DEI should be focused on investing money into portfolios that will change the world for the better. It was determined that a bullet point on investment portfolios would be added after the meeting.

Member Liu: Under the DEI value should be targeted outreach with specific communities such as using the ambassador program. Technology and materials are not enough. Mr. Martin commented that “testimonials” might be a good word.

Key Focus Areas – Growth

Member Oppenheim: Where does financial and investment education fit into the key focus areas and how do we measure that? Mr. Martin responded that portfolio utilization

rates are under Program Design objectives. Member Oppenheim commented that is good, but does not get at what he is looking at entirely. It was determined that a separate objective should be created to capture this financial education component. Juliana Crist mentioned that one measure could be to look at how people are using the accounts and which portfolio they are in. If they are in a more aggressive portfolio but spending money weekly, or in a conservative portfolio but keeping it there, that indicated a mismatch.

Member Liu: For financial literacy the goal is to help participants be more proactive, how would that be done? In a webinar or more individualized education?

Key Growth Areas – Participant Experience

Member Acton: All public facing documents should be in plain language.

Member Castañeda: On “Meeting Service Level Standards,” should it be exceed? It was determined to change to “Meeting high Service Level Standards”

Member Oppenheim: Enhanced language ability should be added to continuous program improvement.

Key Growth Areas – Program Design

Chair Tom: Should these objectives be combined with Operations and Administration? It was determined it should be kept since another objective is being added to make it more robust. Ms. Crist commented the title could be changed to “Investments and Fees”

Key Growth Areas – Outreach and Marketing

Chair Tom: For webinar measures, it should be about input rather than output. For example, is the material good?

Member Castañeda: Event success should be measured in a different way. Mr. Martin commented that new enrollments after key events could be measured.

Chair Tom: Is there a way to measure new account holders that are tied to partnerships. For example, using promo codes?

Member Castañeda: What is the difference between organic and sponsored? Mr. Martin answered.

Key Growth Areas – Operations and Administration

Madeline Handy asked what SOC stands for.

Chair Tom: “Robust” was used twice.

Key Growth Areas – Advocacy

Member Oppenheim: Would CalABLE engage in advocacy for state legislation?

Member Castañeda: CalABLE should get the voices of the community to help with advocacy.

Public Comment

None.

Public Comment

Chair Tom called for public comment. There was none.

There was no further business before the Board. The Chair adjourned the meeting at 3:36 PM.

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