



THE MASSACHUSETTS
ECONOMIC EMPOWERMENT TRUST FUND

One Ashburton Place 12th Floor Boston, MA 02108 | (617) 367-3900

Economic Empowerment Trust Fund Meeting

Date: Thursday October 10, 2024

Time: 10:04 AM

Location: Attendees participated remotely via Zoom platform

I. Meeting Call to Order and Roll Call

Treasurer Deborah B. Goldberg called the meeting of the Economic Empowerment Trust Fund ("EETF") to order at 10:04 AM with the following members present for all or part of the meeting:

Treasurer Deborah B. Goldberg, Chair
Roy Belson, Appointee of the State Treasurer
Todd Ostrowski, Designee of Commissioner of Elementary & Secondary Education
Hamel Husbands, Appointee of the State Treasurer
Tom Moreau, Designee of the Secretary of Education
Jacqueline McPherson, Designee of the Secretary of Housing & Economic Development
Britte McBride, Designee of the Undersecretary of Consumer Affairs & Business Regulation
Evelyn Murphy, Former Lieutenant Governor of Massachusetts, Founder and President of the WAGE Project, Inc
Steven Ultrino, Representative, Appointee of the Speaker of the House
Yvonne Spicer, Former Mayor of the City of Framingham
Raichelle L. Kallery, Appointee of the Senate Minority Leader
Emily Torres-Cullinane, Chief, Community Engagement Division at Office of the Attorney General Commonwealth of Massachusetts

Absent from the meeting:

Elizabeth Barajas-Román, Appointee of the State Treasurer
Senator Jamie Eldridge, Appointee of the Senate President
Michael A. Prisco, Appointee of the House Minority Leader
Daniel J. Ryan, Appointee of the Speaker of the House
Ellen Kennedy, President, Berkshire Community College

II. Meeting Minutes
(Vote Motion)
10:07

Treasurer Goldberg sought a motion to approve the June 6, 2024, EETF Board Meeting Minutes.

On a motion by Former Lieutenant Governor Evelyn Murphy, seconded by Hamel Husbands, the Board began the voting process to approve the Minutes from the meeting held on October 10, 2024.

Roll Call Vote:

Roy Belson: Yes.
Jacqueline McPherson: Yes.
Hamel Husbands: Yes.
Tom Moreau: Yes.
Evelyn Murphy: Yes.
Britte McBride: Yes.
Todd Ostrowski: Yes.
Yvonne Spicer: Yes.
Emily Torres-Cullinane Yes.
Deborah Goldberg: Yes

The motion carried – 10 in favor, 0 against.

II. Reports
10:09AM

a. Executive Director's Report

Ms. Alayna Van tassel thanked the Treasurer and greeted the Board members, wishing them a happy October. She introduced new members of the Office of Economic Empowerment. She welcomed Elizabeth Pierce, the new director of economic inclusion as well as Jennifer Duran and Drexel Osborne, new program associates.

Ms. Van Tassel referred back to the last Board meeting in June when Carrie Palazzo, Director of Partnerships and Programs, mentioned a program for State employees and retirees that provides online financial educations the members of the State retirement Board. The program has been running since the end of 2020. It was originally funded by Nast and supported by the Wells Fargo Foundation. This program is being sunsetted by NAST at the end of 2025.

Ms. Van Tassel went on to announce that there are some remaining funds that she will share during the budget part of the meeting. She shared that the remaining funds will be used to promote the new enrich portal.

Treasurer Goldberg made known that she made an Instagram reel featuring the “Very Demure” trend.

Ms. Van Tassel continued on to announce the enrich financial wellness portal is now available to all Massachusetts residents in English and Spanish. A pre-recorded educational video discussing the enrich program portal is played, followed by the Treasurer’s “Demure” reel.

b. BabySteps Report

Ms. Elizabeth Pierce recognizes the BabySteps team of Catherine O’Donnell, Drexel Osborne and Jessica Keegan for all they contribute to the program, including the quarterly report.

Ms. Pierce began her overview by reviewing a slide that provided the BabySteps annual numbers. The slide displayed the number of births by year. From January through September, there have been 44,404 births reported. There have also been 21,304 checked boxes which account for about 46.1% of the babies born. The checked boxes refer to the number of check boxes in the Department of Public Health parent worksheets for birth certificates, indicating families’ interest in BabySteps. She desires to see this number continuing an upward trend. The current number of accounts by birth year is 41,919. She states that the percentage of accounts opened in contrast to the number of births. Currently at BabySteps is at 13.4%.

Ms. Pierce reminds the Board members that these numbers are not final both due to timing of when data updates were received from the various sources as well as the window of time for which people may open accounts. She refers to the next slide which provides a snapshot as to how much is being funded.

Ms. Pierce refers to her slide depicting a graph of BabySteps accounts opened by year as of October 1, 2024. There are 41,919 BabySteps accounts with a total of \$2 million. \$95,950, reflects the \$50 of seed money into each of those accounts. On the same slide there was a spike at the beginning of the year that reflected the DTA outreach for SNAP into BabySteps.

Next, Ms. Pierce went over the BabySteps account overview. This report included accounts that were opened through July 31, 2024. This data was provided by Fidelity. It includes 41,058 accounts, with the percentage of accounts closed having increased slightly to 1.3%. The percentage of accounts with automatic deposit went down slightly overall with recent reports. However, the percentage of accounts with automatic deposits under \$50 and under \$100 per month has continued with similar percentages from recent reports. Just over 21% depositing \$50 or less a month. Almost 45% depositing \$100 or less a month. Ms. Pierce referred to these as the small dollar deposits, expressing happiness to see them trending in this direction.

Ms. Pierce mentioned that there’s a wide distribution on the contributions. The median or second quartile is \$5,000, and 5% has made some sort of withdrawal from their accounts for a total of \$9,941,325.47. While that number is striking. It is, in fact, small, relative to the total account balance. The total balance is now \$591 million. That number reflects contributions as well as interest. That number fluctuates and reflects the market as well.

Before Ms. Pierce hands shifts the focus to Jessica Keegan, she mentions that the first BabySteps cohort will enter kindergarten as 5-year-olds in Fall of 2025. BabySteps account holders who are

within Massachusetts, are Boston residents and are attending Boston public schools will also be eligible for the city of Boston's children's savings account. They receive a Boston Saves seeded account of \$50 as well. The BabySteps team is already collaborating with Boston saves about the opportunities as well as challenges presented by this exciting milestone for both BabySteps and Boston saves.

Ms. Keegan takes over thanking Ms. Pierce for the insights and adds that the 529 account can be used for college, apprenticeships, vocational training as well as tuitions for k-12.

Ms. Keegan segues into discussing the SNAP into BabySteps program. The program provides families who are receiving SNAP benefits and are also enrolled in the BabySteps 529 account an additional \$120 deposit over the course of a year. In total, families receive \$10 a month each year, \$50 BabySteps seed and the additional offer of \$10 when they complete a survey. Once funding concludes this month, the first family enlisted in the program will have received their first total of \$120.

Ms. Keegan states that the program was originally intended to run for one full year. However, the DTA outreach was such a huge success that there is still funding left to continue receiving SNAP into BabySteps applicants. Rather than concluding the program, the program will likely be extended until the end of 2024. At that time, OEE will decide on some next steps for SNAP into BabySteps.

Ms. Keegan highlights that while there is no messaging from the department of Transitional Assistance planned for the remainder of the year, there have been conversations to ensure that any documents needed to perhaps send out another text message could happen if need be. The SNAP into BabySteps program was an exceptional way to reach target communities.

Ms. Keegan refers to a slide that tracks BabySteps applications by month. As of October, 683 families have been approved for funding. There is a strong rate of families being approved for funding and there are less issues signing them up for the 529 account with Babysteps. This shows a lack of confusion and a lot of clarity with communications to families as to what is being done with BabySteps partners.

Ms. Keegan continues to the next slide that shows who is eligible for funding. The slide identifies the top 10 communities and the number of families who have been funded for BabySteps Boston, Worcester and Springfield. Those three locations have the highest amount of births. 96% of accounts are from zip codes identified as the top poverty ridden in Massachusetts. Ms. Keegan expresses excitement to see that the program is connecting with its intended audience.

Next, Ms. Keegan provides survey data. The data surveyed people who receive SNAP benefits and are registered for their BabySteps 529 account. The findings have stayed consistent. The data shows that families are saving for their child's future education. Applicants normally have a high school diploma, GED or some level of college education.

Ms. Keegan took a moment to describe what has been done since the last board meeting. She continues dialogue with many of the BabySteps partners. She has done presentations and made connections with groups like East Boston Family Engagement Network. Last meeting, the goal

was to speak with those in community colleges. Ms. Keegan thanks the outreach team for their efforts in creating strong bonds with community colleges. She goes on to include the outreach done with other places such as health centers and parenting groups. The Dimmock health center, Parent Professional Advocacy League, the Needham department of Youth and Family Services, and a family group called NAPS are just a few of the partnerships that Ms. Keegan is excited to work with. She mentioned that she's looking forward to connecting with those in the healthcare and adoption spaces in the near future, especially with November being national adoption month and national Adoption Day in Massachusetts.

Ms. Keegan concluded with referencing the last Board meeting, when she trained the Dimmock employees on the BabySteps 529 enrollment process. This is great news as the Dimmock center is a pillar in their community. BabySteps partners at JPNDC (Jamaica Plain Neighborhood Development Corp.) have said that families are still excited and still wanting to enroll. Once BabySteps moves forward with the funded grants, BabySteps will hopefully have a stronger relationship with these partners.

Treasurer Goldberg asked the Board members if there were any questions. There were no questions, so Ms. Van Tassel thanked Elizabeth and Jessica.

c. Community Ambassador Program Update

Mr. Michael McLeish provided updates on the Community Ambassadors Program. He began by explaining the program's goal of enhancing the understanding of all OEE programs by partnering with individuals across the State who already provide existing resources and have a strong connection in providing services to their community. The goal is to increase participation and engagement in OEE's programs.

Next Mr. McLeish went over the roles of the seven ambassadors covering nine different communities to better explain how unique their role is in their community and establishing relationships with the residents. There are two ambassadors in Boston. One of them is a pastor as well as a director at a Haitian Adult Day Health Center. The other is a financial advisor who was a financial advisor for New York Life and does a lot of community work. In Brockton, there is small business owner, that is also on the Parent Council for the head start in Brockton. In Chelsea and Revere, there is one individual covering both areas. He is a training director at North Suffolk Mental Health. There is one individual covering both Fall River and Bedford. She is a home visitor for the Healthy Families program in New Bedford and a Sunday school teacher. In Lowell, the ambassador is the founder/director of the Haitian American Student Corporation and the Project director at United Way. Lastly, in Worcester the Ambassador is a workforce coordinator at the Worcester GEAR UP.

Mr. McLeish States in the first six months of the eight-month program, they have been able to sign up over 120 residents for OEE's newsletter. They have done thirty-one presentations to community partners. These presentations are direct presentations to your local YMCA's staff or your local community centers. Staff gets information about OEE's programs to then share with their residents. The ambassadors have covered 41 tabling events and hosted 38 financial

workshops on topics such as money management, debt management, as well as credit and scam fraud reports. Either an expert will be invited to come in and do that workshop, or the ambassadors have already been trained on that workshop. There have also been two radio interviews.

Ambassadors are trained to learn how to enroll families into BabySteps. They have been able to establish two-hundred community organizations or businesses hosting OEE material. Four City halls including Brockton, Worcester, Fall River, Lowell and Quincy have also displayed OEE. In total five City halls across the State are hosting OEE's material.

There have been twenty partner hubs established. A partner hub is someone who is willing to partner with OEE on multiple fronts, such as hosting OEE materials or inviting our ambassadors to events. They keep OEE aware of the opportunities that they have in their community. In December the Community Ambassadors will be hosting a feedback forum. That will be the end of the eight-month term for the second cohort. Last year, at the feedback form, Mr. McLeish learned that the ambassadors felt they would be more successful if the program was extended from six months to eight months. They also recommended several other program improvements that helped identify what works with engagement and address areas of need. That's the reason the small business resource toolkit was added to their bundle of resources to offer to the communities. Mr. McLeish concluded, asking for any questions on his presentation.

Treasurer Goldberg mentions attending the Metro Chamber event in Randolph with Michael. The chamber has a business and non-profit component, so Mr. McLeish was there to talk about the ambassador program. He made a lot of good connections at that event. The Goal is to increase financial partners in particular areas as to increase community collaborations. The Community Ambassadors are partnering with the Family Self-Sufficiency program at the Brockton Housing Authority. So far three workshops for two senior buildings on money management have been secured for November 2024. That is being done by the ambassador who helped organize the event in partnership with South Shore Bank. It is important to use a bank from that area because they already have folks who reflect that area who can speak Cape Verdean Creole, Haitian Creole, and Spanish as well.

Emily Cullinane left at 10:40am

d. Grant Reports: Worth & Wealth Seminars

Jennifer Duran, OEE's new program associate, provided updates on the Worth & Wealth Seminars. She started with a brief overview of the program. The Wealth and Worth Seminars are a series of financial education webinars provided to touch on a variety of financial education topics. This is done through OEE's partnership with Citizens who provided \$40,000 in grant money. OEE has been partnering with Citizens to provide these financial education programs since 2016.

The outreach program for fall programming started October 2, 2024. The topics include budgeting, retirement, investing and even money mindset to touch on topics such as wealth building habits. This will run from October to January.

Ms. Durand called attention to financial coaching. Financial coaching is an incredible way to solidify the topics that participants learned during the webinars. This gives them an opportunity to personalize and problem solve their financial circumstances. Financial coaching will be done with Oriana Falkowski, who is the founder and main coach at Money Map coach. Throughout the course of the webinars, evaluations will be conducted. The evaluations include general feedback, assessing content, knowledge, or even any financial behavior change that participants may experience during coaching.

There will be another press release for the winter programming, which is comprised of the last five workshops of the Worth and Wealth series. It will touch on topics such as funding education, specifically for adult learners looking to advance their skills or education later on. It will also discuss negotiation skills, a very popular topic, that falls under the category of career, advancement or career transitions.

After completing the Worth and Wealth Seminars attention will be shifted to Valor y Dinero. This is the Spanish equivalent of Worth and Wealth, providing very similar financial education topics to Spanish speakers and the Latinx community.

e. Trust Fund Budget Report

Ms. Van Tassel and Karen Guida, OEE's internal auditor, provided updates on the Trust Fund. Ms. Van Tassel shared a slide that displayed the balance sheet as of the end of fiscal year 2024. She calls attention to the highlighted total of \$1,074,748.95. She mentions a transition with OEE's QuickBooks account. QuickBooks is used to keep track of the trust fund bookkeeping. The office went from a desktop version to an online version. During that transition, information had to be transferred. Reports for the Board were still being produced. Shortly after the last Board Meeting, it became clear that the QuickBooks reports that were being produced were not accurate. Ms. Van Tassel stated that this impacted the vote on Community Ambassadors that was taken at the March Board meeting. Some of the funding that was thought to have been in the non-restricted funding, which is called non-targeted, was less than what was broadcasted.

Ms. Van Tassel asked Ms. Guida to explain some of the findings. Ms. Guida said she went through the QuickBooks accounts, and all of the entries into QuickBooks. She made many adjustments throughout the year because OEE had paid some expenses out of the baby steps account. Ms. Guida is still continuously looking for additional errors so there might be some changes further. If there are additional changes, it is going to be small and not very material.

Ms. Guida described two components that contributed to the overall confusion. There were charges that should not have been charged to the Trust Fund that should have been paid by OEE and vice versa. In addition to that, when they were in the Trust Fund, they were paid with the wrong source of money. This means collectively, the Trust Fund would be correct, but the individual sources of

money would be incorrect. She shares that she went through all of the transactions in QuickBooks to make sure that they were recorded correctly.

Ms. Guida was unable to show the balances that remain in each of the asset classes using QuickBooks. However, she was able to show the amount of money in the BabySteps program versus the non-BabySteps program.

The Non-BabySteps program in OEE'S Quickbooks is called the main bank account. On June 30, 2024 there was \$620,000 of the legislative funding that remained in that bank account that belongs in BabySteps. That was moved over on October 7, 2024. In addition to that, there is \$125,000 that are in the main bank account that belongs to the BabySteps program. She discovered that the \$125,000 represents the match program from Fiscal Year 2023. It will remain in main bank account until we get additional contributions to support the \$125,000. In Fiscal Year 2024, \$50,000 was received from Federated Hermes.

There is money that should be in BabySteps hat are not available to spend currently. The QuickBooks balance of \$230,000 did not match the bank balance of \$369,00. That \$138,000 difference represents the expenses that were paid from the incorrect bank account. Those have been adjusted in QuickBooks as of June 30, 2024. At this time, there is about \$975,000 available to spend from the BabySteps program and about \$99,000 available to spend from the non-BabySteps program.

Ms. Van Tassel adds that some of the BabySteps amount is part of the pilot funding. It is not just for the seeding of the accounts. It is also for Snap into BabySteps as well as the enrollment hub pilot. Just over \$400,000 is for the pilot programs that are funded by the Hildreth pro Charitable foundation.

Ms. Guida shifted focus to the \$620,000 charge. She stated that there is a disconnect on that amount, because when the appropriation is received, it comes into the budgetary account. The money does not enter the BabySteps checking account. Everything was recorded in Quickbooks, however the bank was not notified to transfer the money. When the appropriation from the legislature is received, it will flow through the main account and then it will be transferred to the correct bank account moving forward.

Ms. Van Tassel announces that she has hired a part-time accountant specifically for the Trust Fund. Treasurer emphasizes her commitment to transparency. She made clear that these findings were identified by OEE's due process, rather than an external investigation.

ii. Profit and Loss

Ms. Van Tassel directs attention to a Profit and Loss sheet that displays the balance for the Community Ambassadors program and non-targeted expenses which pays for administrative expenses, including tax preparation services as well as charge backs from the controller. Charges from the comptroller has increased in the past fiscal year. Last year OEE paid over \$15,000.

Previously it costed \$2,000 to \$3,000 annually. This increase in cost is the result of an increase of BabySteps accounts bringing in more funding. \$20,000 will be projected moving forward. OEE can apply for grants for Worth and Wealth and BabySteps. However, operational expenses must be paid for.

Tax preparation services has also increased since more funding is coming in. Tax preparation services are going to be moved off of the Trust Fund expenses and going into the OEE budget. Those will not be visible moving forward \$300,000 is going to be transferred from OEE into the Trust Fund later in October, before any money is moved into BabySteps. Some money will go into the non-targeted as well as the Community Ambassadors.

Ms. Van Tassel continued, stating the \$1,400 for Financial Wellness will be used to promote the new enrich platform. Both BabySteps and SNAP into BabySteps are in the red, but that funding comes straight out of the baby steps account, and that allows OEE to track the spending for each of the individual programs.

\$1,880,600 was received for BabySteps as of October 7, 2024. Because of the way the money was tracked previously, the BabySteps Lynn money program has a negative amount because it has been paid with starter seed money within the main bank account. Moving forward a decision needs to be made on whether BabySteps money will support the individual programs so that the account doesn't show a negative number.

Ms. Keegan interjected that the Lynn Grant was funded by our partnerships with the Hildreth Institute. She stated that hub grants are coming up and will also come from BabySteps's partnership funds, which she received permission to move over to the funded enrollment hub grants rather than continuing in different cities like Lynn.

Ms. Van Tassel communicated that during the next Board meeting she will produce the QuicBooks reports translated into an easier to understand template for the meetings. Bottom line, no money is lost.

f. Announcements

Treasurer Goldberg shared that there will no longer be voting on the meeting dates because it allows more flexibility when there is a need to reschedule. She then mentioned that she will be announcing the names of new Board members soon, when she has the exact number of people that will be leaving.

She reminded the Board members that the next meeting has been changed to Monday, December 9, 2024 due to a conflict in her schedule.

The Treasurer sought to adjourn the meeting. On a motion by Hamel Husbands, seconded by Evelyn Murphy, the Board voted to end the meeting.

Roll Call Vote:

Roy Belson: Yes
Jacqueline McPherson: Yes
Tom Moreau: Yes
Hamel Husbands: Yes
Evelyn Murphy: Yes
Britte McBride: Yes
Todd Ostrowski: Yes
Yvonne Spicer: Yes
Treasurer Goldberg: Yes

The motion carried – 9 in favor, 0 against.