



THE MASSACHUSETTS
ECONOMIC EMPOWERMENT TRUST FUND

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Economic Empowerment Trust Fund 10/15 1:09 PM

Date: Monday, October 15, 2018

Time: 1:09pm

Place: Office of the State Treasurer & Receiver General
One Ashburton Place, 12th Floor
Boston, MA 02108

The meeting of the Economic Empowerment Trust Fund (“Trust Fund”) was called to order at 1:09 pm with the following members present for all or part of the meeting:

Treasurer Goldberg, chair
Roy Belson, Treasury Appointee
Ellen Kennedy, Treasury Appointee
Yvonne Spicer, Treasury Appointee
Barbara Anthony, Treasury Appointee (arrived approximately 1:11 pm)
Evelyn Murphy, Treasury Appointee
Marcony Almeida-Barros, Attorney General Designee
Todd Ostrowski, Commissioner of Elementary and Secondary Education Designee
Tom Moreau, Secretary of Education Designee
Jacqueline Furtado, Secretary of Housing and Economic Development Designee
Elaine Monge, Undersecretary of Consumer Affairs and Business Regulation Designee
Raichelle Kallery, Senate Minority Leader Appointee

Also present at the meeting:

Michael Car, Staff to Senator Jamie Eldridge
Greg Polin, Treasury Legal Counsel
Christina Medina, Treasury Legal Counsel
Emily Kowtoniuk, Treasury Deputy Legislative Director
Karen Guida, Treasury Internal Auditor
Alayna Van Tassel, Deputy Treasurer and Executive Director, Office of Economic Empowerment
Samantha Washburn-Baronie, Deputy Director, Office of Economic Empowerment
Keenen Grooms, Assistant Director for Strategic Partnerships, Office of Economic Empowerment
Julie Horrigan, Grant Writer, Office of Economic Empowerment

Pam Tobey, Business Manager, Office of Economic Empowerment
Paul Kelly, Community Engagement Manager, Office of Economic Empowerment
Nicole Lynch, Community Engagement Organizer, Office of Economic Empowerment
Shaitia Spruell, Community Engagement Organizer, Office of Economic Empowerment
Daphna Gluck, Treasury Research Consultant

I. Meeting Minutes
1:10

On a motion by Mr. Ostrowski, seconded by Ms. Murphy, the board unanimously approved the minutes from the meeting held on May 14, 2018.

II. Executive Director's Report
1:10PM

Ms. Van Tassel highlighted the national attention being given to the Office of Economic Empowerment (OEE) college savings account program. She then talked about the upcoming expansion of the program and stated that when the program moves to become statewide, OEE will work with other existing college savings account programs. Ms. Van Tassel gave an update on the Women in Finance Fellowship and the expansion and development of the program, for example building an alumni network and the Ernst & Young partnership/sponsorship. She talked about the recent sessions of the Women's Economic Empowerment Series and the upcoming sessions in Lynn, Brockton, and Jackson Square. Ms. Van Tassel ended with an update on JustAsk! program taking place at the community colleges, 10 have been held so far this year and more are coming. The progress report for the Financial Literacy Task Force will be coming up in December.

Ms. Spicer asked about which OEE programs are being offered in other languages, and Ms. Van Tassel explained that the office tries to work to make them as accessible as possible. Both the senior workshops and WEES have been done in Spanish and OEE is working to make it easier to host salary negotiations in Spanish. She explained that SeedMA is translated into 8 languages and SoarMA is translated as well.

Mr. Ostrowski raised a concern about the different children's saving account programs and the confusion families and students may have about what program they should be using. Ms. Van Tassel answered that she would touch upon this later.

III. Trust Fund Budget Report
1:17PM

Ms. Van Tassel reviewed the FY18 expenses and revenues for the Trust Fund. She highlighted the \$30,000 and Hildreth Stewart Foundation donations. Ms. Van Tassel then talked about the FY19 income and expenses and explained that the Hildreth Stewart donations would be reoccurring because of matching and accounts being opened.

The board spoke about the current balance and donations of the trust fund and if it was sufficient to support the goals. Ms. Van Tassel highlighted the large pledge they had received and said that the interest and enthusiasm from the outside made her feel optimistic. Treasurer Goldberg responded to a question regarding larger foundations being interested to fund programs, stating that hopefully this would happen soon. The board went on to discuss the financing piece of the College Savings Account (CSA) rollout, including potential funders and municipal buy-in. Ms. Van Tassel noted the Monson Savings Bank partnership and that budgets and forecasts have been created for the rollout.

IV. Temporary Committee on Financial Education Update
1:24PM

Ms. Van Tassel explained that the Temporary Committee has completed an intake and review of available financial education curriculum and they will give a full report at the next full board meeting.

V. College Savings Account Program Update
1:26PM

Treasurer Goldberg highlighted her goal to have seeded college savings accounts statewide supplemented with financial education for the child and family. Ms. Van Tassel gave an update on CSAs and the initial pilot goals, including training Worcester Public School teachers to teach financial education and the SoarMA learning circles.

Ms. Van Tassel reviewed the savings data for families enrolled in SeedMA and the increase in 529 accounts opened in the Worcester community. She spoke about the challenges SeedMA has faced, specifically the decentralized school system, different levels of engagement in school districts, reaching low- to moderate-income families, and how many families already have college savings accounts. Ms. Van Tassel spoke about Ms. Harrington's interviews with families.

Ms. Van Tassel stated that when SeedMA goes statewide, it will become an at-birth enrollment program. She spoke about the successes of other at-birth CSA programs and her conversations with those programs. She highlighted the streamlined process in hospitals versus elementary schools.

Ms. Anthony asked if the hospitals would be a partner in the expansion of the CSA program. The Treasurer said that they would be announcing the statewide expansion tomorrow with partners, including Mayor Walsh, the Massachusetts Health and Hospital Association, and the Department of Public Health at the State House. The Treasurer spoke about the importance of the partnerships and collaboration to complete these programs, as well as the integration with the other existing programs, such as Boston Saves, to make sure there are multiple touch points.

The board asked questions about leveraging existing requirements on the hospitals or insurance rebates. Mr. Ostrowski asked if there is a way to do an insurance rebate or fund into a 529 college savings account program like a gym rebate or if they have the foundation funding to contribute to this. Treasurer Goldberg said that her goal for this program has been that once it goes statewide, it will be a program that it can take be taken to a broader spectrum of national-level funders, and they plan to revisit those funders. The board spoke about continuing contact with enrolled families to encourage savings and engagement in financial education programming.

Ms. Anthony asked about the significance of starting the program at birthing hospitals versus elementary schools. Ms. Van Tassel emphasized that the at-birth enrollment would streamline and simplify the enrollment process and touch points. Ms. Anthony then asked about enrollment process at-birth, how it will happen, and if there is a contribution into the account regardless of income. Ms. Van Tassel responded by explaining that there is no income-limit for the seed deposit and further explained how enrollment would still be opt-in so that families get ownership of the accounts right away. Treasurer Goldberg highlighted that enrollment would be part of the required paperwork at the hospitals. She explained that promoting the concepts would be key and they would continue to work with schools and communities to catch people who slip through the cracks.

The board spoke about the rising cost of college and rising student loan debt. The Treasurer responded by emphasizing the need use financial education along with college savings to address that issue.

Ms. Kennedy spoke about how the birth moment is a great chance to get parents thinking about the future and asked about collaborating with all the hospitals. Treasurer Goldberg talked about the partnership with Massachusetts's Hospital Association and their support of the program. Ms. Van Tassel highlighted that the announcement is far in advance of when enrollment will open because the pilot programs are still wrapping up.

The board discussed the importance of understanding information and data about the families engaged in this program to help demonstrate the impact. Ms. Van Tassel spoke about Ms. Harrington's evaluation and that more details will be available as the pilot comes to an end. Treasurer Goldberg highlighted the diversity of Worcester and how we have touched every piece of Worcester community. Mr. Kelly spoke about some of the groups within the community he has reached, three of the schools with highest enrollment had more families that don't speak English, more not traditional post-secondary education. Treasurer Goldberg spoke about the Springfield visit and engaging with students to help them understand the connection between post-secondary education and making money in the future.

Mr. Moreau asked about what the definition of success is in other statewide at-birth CSA programs. Ms. Van Tassel said that the standards of success are difference for every program and it is difficult to compare any program to Maine because of the large financial backer to that program. She said that the closest program to OEE's statewide program would be Connecticut and they have about a 10% take rate, is where OEE would

look to start. Treasurer Goldberg spoke about the long-term success factors of financial education and starting the program at birth. Ms. Van Tassel spoke about how the check-the-box on the forms will be embedded into the existing hospital paperwork. Mr. Moreau asked if it is just in-state 529s and Ms. Van Tassel explained that it had to be an account through MEFA. She also highlighted that “at-birth” includes adoption.

Mr. Belson asked about the media rollout after the announcement and Ms. Van Tassel explained that it was just the beginning and they would start engaging key partners. She explained that at the nine-month mark for the first batch of babies there would be an increase of outreach.

VI. March 2019 Meeting Dates
2:10PM

On a motion by Ms. Kennedy, seconded by Ms. Murphy, the board unanimously approved the proposed meeting date of Monday, March 4th at 1:00PM.

VII. Announcements
2:11PM

VIII. Next Meeting
2:12PM

On a motion by Ms. Spicer, seconded by Ms. Anthony, the board unanimously adjourned the meeting.