



THE MASSACHUSETTS ECONOMIC EMPOWERMENT TRUST FUND

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

Economic Empowerment Trust Fund Meeting 9/21/2020 1:03 PM

Date: Monday, September 21, 2020

Time: 1:03 PM

Location: Attendees participated remotely via Zoom platform

I. Meeting Call to Order and Roll Call

The meeting of the Economic Empowerment Trust Fund ("Trust Fund") was called to order by Treasurer Goldberg at 1:03 PM with the following members present for all or part of the meeting:

Treasurer Deborah B. Goldberg, Chair
Marcony Almeida-Barros, Director of Community Engagement Division Designee
Barbara Anthony, Treasury Appointee
Elizabeth Barajas-Roman, Treasury Appointee
Roy Belson, Treasury Appointee
Jacqueline Furtado, Secretary of Housing and Economic Development Designee
Hamel Husbands, Treasury Appointee
Raichelle L. Kallery, Senate Minority Leader Appointee
Ellen Kennedy, Treasury Appointee
Tom Moreau, Assistant Secretary for Policy and Planning
Former Lieutenant Governor Evelyn Murphy, Treasury Appointee
Edward Palleschi, Undersecretary of Consumer Affairs and Business Regulation
Jerry Rubin, Treasury Appointee
Mayor Yvonne Spicer, Treasury Appointee

Members present via phone:

Representative Steven Ultrino, Speaker of the House Appointee

Absent from the meeting:

Todd Ostrowski, Commissioner of Elementary and Secondary Education Designee

II. Meeting Minutes

1:06 PM

Treasurer Goldberg informed the Board of a needed amendment to the June Board Meeting date which was incorrectly recorded as June 2, 2020 instead of June 1, 2020 on two sections of the Minutes. She requested a motion to approve the June Board Meeting date change, as amended, on the EETF Board Meeting Minutes. On a Motion by Ms. Ellen Kennedy, seconded by Mr. Roy Belson, the Board unanimously approved by roll call vote the date amendment and meeting Minutes from the meeting held on June 1, 2020.

III. Executive Director's Report

1:08 PM

Ms. Alayna Van Tassel informed the Board that the Trust Fund was awarded \$100,000.00 from the NAST (National Association of State Treasurers) Grant for a financial wellness program for State employees. She explained the program, entitled *Financial Wellness for Mass State Employees and Retirees*, is the first of its kind in the Commonwealth and will have one year, until September 2021, to use the funds and execute a comprehensive digital financial education program designed to reach everyone across the state. She discussed how the program will utilize a combination of formats including, digital learning management systems, webinars, videos, and other digitally based assets. She also stated that if in-person programming can be resumed in the upcoming year, the program will transition to do so, but due to the pandemic, the immediate focus will be on digital financial education.

Ms. Van Tassel directed the Board's attention to the screen display of the goals Trust is seeking to achieve through the program. Among the goals she mentioned were employees and retirees attaining a better understanding of their current benefits, such as BabySteps and the SMART Plan; knowledge and confidence gains in handling financial decisions; and reducing stress caused by financial uncertainty.

Ms. Van Tassel further explained that the Office of Economic Empowerment (OEE) will start a marketing campaign once the program goes live to ensure all State employees and retirees are aware of program, which will be offered through a platform that tailors to each individual's unique financial needs, and that a survey would be sent out to all members of the retirement system for feedback on what topics and formats would be most beneficial. She also discussed how OEE's Money Talk Tuesdays Webinars will run in conjunction with the program as well as monthly lessons on OEE's My-Financial-Life-MA (MFL) website.

Ms. Van Tassel went on to say that virtual tours of various HR (Human Resources) Departments within the State will take place to ensure the HR Departments can share this information with the employees under various State Agencies.

Ms. Van Tassel informed the Board the grant application process was very competitive she thanked the OEE staff for all their time and commitment that was put into writing the grant proposal.

Ms. Kennedy thanked Ms. Van Tassel, Treasurer Goldberg, and the OEE Team and offered her assistance in reaching out to public higher education institutions by hosting webinars. Ms. Van

Tassel thanked Ms. Kennedy for her offer and ensured Ms. Kennedy she would contact her to follow up.

Treasurer Goldberg informed the Board the grant was assessed externally, not through NAST, and a very large number of applications were submitted ranging from very professionally written, such as OEE's application, to very minimal and direct requests for funds. The Treasurer went on to say that Wells Fargo had given NAST the resources to award 24 Grants ranging from Municipalities and different entity groups, to State Treasurers. She further explained that the grants were for different amounts, and for Trust to be awarded this amount was terrific, and that the funds will greatly expand the Trust's capacity.

Ms. Evelyn Murphy asked the Treasurer what measures of impact were being sought with the grant.

Treasurer Goldberg asked Ms. Van Tassel to address the Board on the matter.

Ms. Van Tassel stated that pre and post surveys will be done through the digital platform to measure knowledge and confidence gains. She went on to say that OEE is very lucky to have Ms. Daphna Gluck as Director of Program Evaluation and she welcomed Ms. Gluck to add to the discussion.

Ms. Gluck reiterated Ms. Van Tassel's words by stating that OEE was very lucky to have the application that allows OEE to test knowledge gains; otherwise, the endeavor would be beyond OEE's capacity. She went on to say that for anything that goes beyond the platform, OEE will measure more subjective reporting of reduced stress and measures of utilization.

Ms. Van Tassel informed the Board the press releases for the NAST Grant award were included in the meeting packets.

1:18 PM

Treasurer Goldberg announced that Mr. Marcony Almeida-Barros, Mayor Yvonne Spicer, and Ms. Jacqueline Furtado joined the meeting.

IV. Trust Fund Financial Report 1:18 PM

Ms. Van Tassel reminded the Board that the Trust Fund's financial reports are done monthly and the information in the meeting packets were as of August 31, 2020. She went on to note that a lot had happened since the reports were completed, and that the information before the Board on the PowerPoint presentation and was not reflected in the meeting packet.

Ms. Van Tassel informed the Board that People's United Community Foundation of Eastern Massachusetts awarded the EETF \$10,000.00 for the BabySteps Program. She also informed the Board that DCU For Kids, one of the Worcester funders for the SeedMA Program, confirmed their funds which were not spent on the pilot program could be used to fund college savings accounts for children born in Worcester through the BabySteps Program. And that the Greater Worcester Community Foundation, also a pilot funder for SeedMA whose funds were also not

used, also confirmed that their funds be used to fund BabySteps accounts for children born in Worcester.

Ms. Van Tassel also advised the Board of the continued efforts to contact SeedMA Pilot funders to confirm their funding can be used for the BabySteps Program, and that the Board will continue to be briefed on the matter accordingly.

Ms. Van Tassel again mentioned the \$100,000.00 NAST Grant award, and reminded the Board the additional financial information would be included in the December Board Meeting packet.

a. Balance Sheet

Ms. Van Tassel reviewed the Trust Fund's Balance Sheet by Class report. As of June 30, 2020, the last day of Fiscal Year 2020, the EETF account balance was \$275,398.04 with \$73,045.61 in the BabySteps checking account. She stated that most of the activity in FY2020 was from BabySteps. Ms. Van Tassel also reviewed the Balance Sheet by Class report as of August 31, 2020, which showed the Trust Fund had a balance of \$333,100.66 with \$130,748.23 in the BabySteps account.

b. Profit & Loss

During the review of the Profit & Loss report, Ms. Van Tassel highlighted the increase in the BabySteps account due to the second of three \$100,000.00 donation installment payments from the Hildreth Steward Charitable Foundation, and informed the Board that most of the expenses since June 30, 2020 were from funding BabySteps accounts. She stated that as of August 31, 2020 a total of 1,887 BabySteps accounts had been funded, a number that had jumped to over 2,000 as of the Board Meeting's date.

V. Old Business
1:22 PM

a. Amendment to Trust Fund By-Laws: Execution of Instruments, Contracts
(Vote Motion)

As a follow up to the conversation at the last Board Meeting, Treasurer Goldberg directed the Board's attention to the revised proposed amendment to the Trust Fund by-laws found on the PowerPoint presentation and in the meeting packets. She informed the Board that after the Board's discussion at the last Board Meeting, new language was drafted and was now ready for approval.

She advised the Board that Ms. Sarah Kim, Treasury General Counsel, and Ms. Van Tassel could answer any questions the Board might have.

Ms. Barbara Anthony asked who was the current Trust Fund's Executive Director and who signed the documents?

Ms. Van Tassel responded that herself and the Treasurer were able to sign the documents and went on to explain that prior language, which was amended at the last Board Meeting, had a threshold of \$5,000.00 and that a resolution was sought to increase the threshold to allow herself

and the Treasurer more flexibility to sign any contracts that might need approval between meetings.

Treasurer Goldberg sought a motion to amend Article IX of the by-laws to give the Chair or the Executive Director the authority to approve contracts valued at less than \$100,000.00 and to sign said contracts.

On a motion by Ms. Kennedy, seconded by Mr. Roy Belson, the Board voted unanimously by roll call vote to approve the amendment to the by-laws.

VI. New Business
1:28 PM

a. iGrad, Inc. Contract Approval
(Vote Motion)

With the use of the Board Meeting's PowerPoint presentation, Ms. Van Tassel introduced the Board to iGrad, the company that will be utilized for the new *Financial Wellness for Mass State Employees and Retirees*. She went on to explain that the contract would be with iGrad, a pre-approved vendor who had been pre-selected via procurement in 2019. Ms. Van Tassel further explained that iGrad offers the Enrich Financial Wellness platform, through which State employees and retirees will be able to access free online learning systems that will provide them with tailored and customized financial education to address their unique needs.

She informed the Board that users will be onboarded to the platform to learn how it works, and that users would be able to input their unique information into the system to get a course that is tailored to them and their needs, which is achieved by assessing their financial behavior and goals.

Ms. Van Tassel also mentioned to the Board that the platform updates their content regularly, and that in the spring they offered more content related directly to COVID-19.

Moving on to the pricing slide on the PowerPoint presentation, Ms. Van Tassel went over the particulars of the contract, highlighting the initial one-time set up fee of \$5,000.00, and the one-year licensing fee of \$75,000.00 which includes 4 complimentary webinars, which will run in conjunction with OEE's Money Talk Tuesdays.

Mr. Belson asked how much coordination was going on with MTRS (Mass Teachers' Retirement System).

Ms. Van Tassel responded by stating that OEE was working directly with the Massachusetts State Retirement Board (MSRB) and Mr. Nick Favorito to reach members of the retirement system. She went on to explain that the *Financial Wellness for Mass State Employees and Retirees* program cannot be offered to members of the Teachers Retirement System through the NAST Grant. She stated that sustainability was part of the approach in the grant proposal, and that through additional grants, the program would hopefully be expanded to include the Teachers Retirement System.

Mr. Belson also mentioned the importance of the sustainability of such a program and suggested the Trust begin working right away on the program's sustainability going forward.

Ms. Van Tassel reiterated that sustainability was a part of the grant proposal and that OEE is looking at ways to ensure this grant is not a one-time grant. She went on to speak of the importance of the metrics, previously mentioned, in the process of measuring the success of the program to go to potential funders and continue the program beyond year 2021.

Mr. Belson suggested that the retirement systems not included in this grant might want to upfront funds to participate in the program going forward because doing so would be helpful to their members. He also suggested that Ms. Erika Glaster, Executive Director of the Massachusetts Teachers' Retirement System, would most likely be interested in the program.

Ms. Van Tassel assured Mr. Belson the organizations would be contacted.

Treasurer Goldberg sought a motion for the Board to authorize the Executive Director to enter into a contract with iGrad, Inc. for the purposes of implementing the Financial Wellness for Massachusetts State Employees and Retirees program and further that the Executive Director is authorized to take all steps necessary to effectuate the vote.

On a motion by Mr. Almeida-Barros, seconded by Ms. Kennedy (or Ms. Murphy), the Board voted unanimously by roll call vote to approve the Executive Director to enter into a contract with iGrad, Inc. and to take all steps necessary to effectuate the vote.

VII. Program Updates 1:37 PM

a. BabySteps

Ms. Daphna Gluck briefed the Board on the BabySteps Program inputs, resources used by OEE such as marketing, enrollment training sessions and more, since its launch and presented information on the total amount of funds invested in BabySteps accounts; \$114,200.00 as of September 18, 2020 – a number slightly higher than the total in the meeting packet due to the report's date. Ms. Gluck also presented information on community outreach; hospital outreach, including 2 hospital visits by Treasurer Goldberg (prior to COVID-19); other events, such as the Legislator workshop at the State House (prior to COVID-19) and 529 Day webinar; individual outreach through emails from OEE and MEFA sent to families who checked the box; marketing and marketing materials such as rack cards, booklets, and posters that have been ordered by different organizations including hospitals, public libraries, and non-profit organizations; 2 social media campaigns that have reached a total of 581,840 people; 19 press articles that mentioned the program; marketing emails sent to a list of over 5,000 subscribers; other marketing strategies such as billboards, social media toolkits, and BabySteps promotional swag; and BabySteps website traffic with over 10,000 unique sessions as of September 3, 2020.

Additionally, Ms. Gluck shared information regarding the Birth Form number of Checked Boxes; the demographic data supplied by DPH; and the LMI estimate by zip code supplied by OEE. She confirmed that OEE's inputs have been drastically reduced due to COVID-19 and that OEE continues to work being more precise and efficient due to the current limitations.

Ms. Gluck also discussed the Program's outputs, including the aggregate report for the checked boxes, which showed that from January to July 2020, 47.5% of families had checked the box; the analysis which concluded that 39% of LMI (Low Moderate Income) zip codes had checked the box; the number of BabySteps funded accounts – 1,587 as of July 1, 2020; the percentage of accounts that had contributed which was about 86.6%; the contributions totaling \$5,534,248.37 with a median contribution of \$1,150 and contributions ranging from \$15.00 to \$150,000.00; the percentage of automatic deposits; the total account balance of \$6,372,902.85 with a median balance of \$1,100.85 and average earnings of \$472.90; and the LMI contribution estimate by zip code of 13.5% a number considerably lower than the 30.4% of checked boxes.

Moving on to account trend, Ms. Gluck discussed the moderate increase in the number of monthly accounts opened, and the few accounts that account for the high contributions and high balances previously noted. She also discussed the regional variance in the checked boxes and how hospitals play a role in interacting with the population directly affecting the number of checked boxes. She noted that, while Massachusetts General Hospital has the highest number of checked boxes, Lowell General Hospital has the lowest. Ms. Gluck also noted that the Greater Boston area has a total of 52% checked boxes and 45.5% of births, whereas Merrimack Valley has a total of 10% of total births but only 8% of total checked boxes, and that the variance shows how the hospital affects the rate of checked boxes. Ms. Gluck further noted that Greater Boston, with a 45.5% of total births accounts for 65.7 % of opened BabySteps accounts, whereas Springfield that only has a 9.2% of births accounts for only 3.0% of opened accounts.

Ms. Gluck expressed that this type of tracking is effective in that it allows for a better focus on outreach, and that the geographic platform allows for a better understanding of how every step taken affects the geographic output. She also touched upon the variances between cities stating that cities perform differently than areas around them, which is a call for action to aim intervention efforts in those areas.

Treasurer Goldberg acknowledged Ms. Gluck's clear and detailed analysis and invited the Board to ask questions.

Mr. Belson requested copies of PowerPoint presentation to share with individuals who could make use of the information.

The Board discussed the number of checked boxes and hospital performance, as well as outreach to hospitals to determine what can be done to improve the number of checked boxes.

2:01 PM

Mr. Tom Moreau left the meeting

Mr. Hamel Husbands commended Ms. Gluck's work and the data presented. He shared with the Board that he and his wife had a new baby in March, and that they had checked the box on the birth form. He stated that from a user's perspective, going through the process that follows checking the box was simple and clear. However, he agreed with Ms. Gluck in that hospitals play only one part on the entire process, and the parents play a bigger part in following through

with the emails and the process. He noted that his data was included in the presentation and thanked the BabySteps Program for his baby's \$50 contribution.

b. Website

Ms. Samantha Washburn-Baronie discussed OEE's newly refreshed flagship websites, My-Financial-Life-MA (MFL) website and EqualPayMA website that were launched in 2016 and 2017 respectively. She went on to say that since the Fall 2019 OEE had worked on increasing the usability and accessibility to both sites and increase the numbers of users on the websites. She noted the project could not have happened at a better time as OEE was able to carry out and wrap up both projects this summer with funding received from A&F last fiscal year. She encouraged the Members to visit the sites to see for themselves the fresh changes.

Ms. Washburn-Baronie informed the Board that the EqualPayMA website launched on Black Women Equal Pay Day in August and thanked Mayor Spicer for her involvement in the event, which had been a success. She went on to share some statistics about the launch event, by highlighting the 256% increase in users and the 365% increase in page views from August 2019 and August 2020. Ms. Washburn-Baronie expressed how excited she and the OEE staff were with the high engagement from the site and played a short promotional video about the new EqualPayMA website.

Next, Ms. Washburn-Baronie discussed the My-Financial-Life-MA (MFL) website by reminding the Board that MFL was the website that had integrated the Everfi educational modules, and that the launch for the website would take place later this Fall. She mentioned that the website has seen a small increase in users, and that 91% percent of users are new users, and when compared to last year, the website has seen a 64% increase in page views as well. Ms. Washburn-Baronie also played a short promotional video about the new MFL website.

Ms. Murphy expressed her hope that OEE could include the racial wage gap and the gender wage gap in the EqualPay, because the gender the wage gaps cannot be solved without fixing the racial wage gaps. She suggested that OEE think of what could be added to the website to that effect.

Ms. Washburn-Baronie assured Ms. Murphy that her suggestion was something OEE took into consideration when updating the material for the new website. She also expressed that OEE is looking into potentially having some events around that topic.

Ms. Kennedy requested links to the videos be emailed to the Board Members.

In response to Ms. Murphy's comment and concern, Treasurer Goldberg informed the Board that a few months back, she had empowered all Department Heads to sit down and dig deep in ways to expand what can be done to create greater opportunities and communication to all black and brown people regardless of their gender. She went on to say that the wage gap for black men has always been a part of her conversations.

Ms. Van Tassel added that it is the Chair and Director's intention to put up an amended mission statement before the Board at the next Board Meeting to include racial equity language included in OEE's programs.

VIII. Proposed Meeting Dates for 2021
2:18 PM (Vote Motion)

The Trust Fund meets quarterly, and these are the proposed meeting dates for 2021. Due to the meetings being held remotely for the foreseeable future, a snow date was not included for the February 2021 meeting. If in person meetings can resume in 2021, they will return to the Crane Conference Room at One Ashburton Place.

The recommend dates for 2021 are:

- Meeting 1: Monday, February 22, 2021 from 1:00pm – 3:00pm
- Meeting 2: Monday, June 7, 2021 from 1:00pm – 3:00pm
- Meeting 3: Monday, September 27, 2021 from 1:00pm – 3:00pm
- Meeting 4: Monday, December 6, 2021 from 1:00pm – 3:00pm

Treasurer Goldberg sought a motion to approve the 2021 meeting dates.

On a motion by Ms. Barbara Anthony, seconded by Mr. Almeida-Barros, the Board unanimously approved by roll call vote the meeting dates for 2021.

IX. Announcements
2:21 PM

Treasurer Goldberg took a moment to honor Justice Ruth Bader Ginsburg, by stating that, “We pray that Judge Ginsburg rests in peace.”

She also reminded the next Board of the meeting is on Pearl Harbor Day, Monday, December 7th at 1:00 PM.

X. Adjournment
2:23 PM

Treasurer Goldberg sought a motion to adjourn.

On a motion by Mr. Jerry Rubin, seconded by Undersecretary Palleschi, the Board unanimously approved by roll call vote to adjourn the meeting at 2:23 PM.

LIST OF DOCUMENTS AND EXHIBITS USED

1. Meeting Agenda
2. Minutes, June 2, 2020
3. Executive Director’s Report

4. Trust Fund Budget Reports

- a. Balance Sheet by Class as of June 2020
- b. Balance Sheet by Class as of August 2020
- c. Profit & Loss by Class
- d. BabySteps Funded Accounts

5. BabySteps Program Update PowerPoint

6. Articles and Press Releases

- a. 7/25/20 Commonwealth Magazine – Despite COVID, Families Prioritizing College Savings
- b. 8/14/20 Boston Business Journal – Panel Discusses Wage Gap on Black Women’s Equal Pay Day
- c. 8/14/20 masstreasury.org – Treasurer-Goldberg Hosts Panel on Black Women’s Equal Pay Day
- d. 9/10/20 Press Release – State Treasurer's Office of Economic Empowerment & EVERFI Launch Revamped Financial Education Website

7. Economic Empowerment Trust Fund Year to Date Report

8. Trust Fund By-laws Execution of Instruments, Contracts

9. Money Talk Tuesdays October and November Event Calendars