

UTAH EDUCATION SAVINGS BOARD OF TRUSTEES

MINUTES OF THE MARCH 19, 2025, MEETING

Zions Bancorporation's Midvale Technology Center
Golden Conference Room
7860 South Bingham Junction Blvd.
Midvale, Utah 84047

Trustees Present

Mr. Arthur Newell, Chair
Ms. Lisa-Michele Church, Vice Chair
Mr. Palmer DePaulis
Dr. Stephen Nadauld

Staff Present

Ms. Camille Anthony
Ms. Dorothy Bailey
Mr. Mark M. Cain
Mr. Greg Dyer
Mr. Richard Ellis
Commissioner Geoffrey Landward
Mr. Todd Mortensen
Ms. Kristie Pederson
Mr. Troy Runnells
Mr. Paul Smith
Ms. Mollie Weisman
Mr. Randall Willardsen

Others Present

Mr. James Duffy,
CAPTRUST
Mr. Todd Erskine,
Dimensional Fund Advisors
Ms. Andrea Feirstein,
AKF Consulting Group
Mr. Michael Sanders,
CAPTRUST
Mr. Jeremy Shaw,
Assistant Attorney General
Ms. Emily Wrightson,
CAPTRUST

Chair Newell called the Utah Education Savings Board of Trustees ("the board" or "UESB") meeting to order at approximately 9 a.m. Chair Newell declared the presence of a quorum. He stated that Ms. Chillingworth and Mr. Lunt are excused.

TAB 1 – UESB Minutes of the September 12, 2024, Meeting

It was moved by Mr. DePaulis and seconded by Vice Chair Church to approve the minutes for the Utah Education Savings Board of Trustees meetings held on December 5, 2024, and January 15, 2025. The motion carried unanimously.

Chair Newell moved to agenda item, TAB 6 – Report from CAPTRUST.

TAB 6 - Report from CAPTRUST

Chair Newell welcomed the CAPTRUST representatives, Mr. Duffy, Mr. Sanders and Ms. Wrightson. The CAPTRUST representatives presented the Investment Program Analysis for Q4 2024. Ms. Wrightson provided an executive summary of the report. She stated that the Target Enrollment Date portfolios had a strong performance during the fourth quarter, with nine out of the twelve vintages outperforming their respective category averages. Mr. Duffy stated

that while equity markets soared, fixed income markets saw yields increasing despite the Fed cutting rates in November. The board discussed the design of the glidepath, noting there is more risk earlier in it, and it has less equity as the beneficiary reaches college age. Mr. Duffy provided an economic outlook on the macro headwinds and tailwinds.

Mr. Duffy noted that the PIMCO Interest Income Fund gross crediting rate as of December 31, 2024, was 2.97%, down from 3.04% in the previous quarter.

Mr. Duffy reviewed the Q4 2024 scorecard for the underlying investments, stating that the DFA U.S. Large Cap Value fund dipped below 80 and has been marked for review. He indicated that the DFA Five Year Global Bond fund has been on the watch list since 2019, and the board discussed the next steps for the fund and if it should be removed.

Chair Newell moved to agenda item, TAB 2 – Audit Committee Report.

TAB 2 – Audit Committee Report

Dr. Nadauld summarized the Audit Committee meeting, which was held on March 11, 2025.

He said that they reviewed and approved the 2025 Internal Audit Risk Assessment and Audit Plan. Additionally, the committee reviewed three audit reports on System Access, Investment Policy and Oversight, and the Financial Statement Reporting Process. It was recommended and approved that the three recent audits be closed.

He concluded his report by saying that within the executive session, the Audit Committee received a report on the external validation of the internal audit quality assessment. The validation was performed by two internal audit directors from the Utah System of Higher Education (USHE) and reported a favorable review of the performance of the my529 internal audit group.

It was moved by Vice Chair Church and seconded by Mr. DePaulis to approve the Audit Committee Report as presented. The motion carried unanimously.

TAB 3 – Code of Conduct

Mr. Cain reviewed the purpose of the Code of Conduct with the trustees, stating that it is to set forth ethical standards for the trustees and to inform the trustees that they must disclose conflicts of interest. He recommended for the trustees to review and sign the Code of Conduct.

TAB 4 – Resolution for my529 Signing Authority

Mr. Cain highlighted the reasons for the resolution for my529 Signing Authority. He noted that it grants the my529 executive director, as well as its senior directors in the executive director's absence or unavailability, authority to execute all documents needed for my529 to conduct its business. He added that a similar resolution was passed by the UHEAA Board of Directors, and this resolution is being updated under the new board.

It was moved by Dr. Nadauld and seconded by Vice Chair Church to approve the resolution for my529 signing authority as presented. The motion passed unanimously.

TAB 5 – Reports and Information

Chair Newell turned the time over to Mr. Runnells, who reviewed the most recent my529 investment reports with the board.

It was moved by Dr. Nadauld and seconded by Vice Chair Church to approve the my529 investment reports for November 2024, December 2024 and January 2025, as presented. The motion carried unanimously.

Chair Newell moved to agenda item, TAB 7 – Report from Dimensional Fund Advisors.

TAB 7 – Report from Dimensional Fund Advisors (DFA)

Chair Newell welcomed Mr. Erskine and turned the time over to him. Mr. Erskine highlighted DFA's philosophy and its presence in the 529 industry. Chair Newell noted that my529 is approximately 20% of the assets under management of DFA's funds in the 529 industry. Mr. Erskine provided an overview of the equity market and fixed income market.

TAB 8 – Legislative Update

Mr. Ellis and Commissioner Landward provided an update on the 2025 General Session of the Utah State Legislature, highlighting the bills that had a direct impact on my529 and USHE.

TAB 9 – Resolution of Appreciation of Richard K. Ellis

The board recognized Mr. Ellis for his dedicated leadership and service at my529.

It was moved by Dr. Nadauld and seconded by Vice Chair Church to approve the resolution of appreciation for Richard Ellis. The motion passed unanimously.

TAB 10 – Closed Session

It was moved by Mr. DePaulis and seconded by Vice Chair Church to convene in closed session for the purpose of discussing fiduciary or commercial information as authorized in Utah Code Section 52-4-205. The motion carried unanimously.

It was moved by Mr. DePaulis and seconded by Vice Chair Church to reconvene the Utah Education Savings Board of Trustees in open session. The motion carried unanimously.


Chair Newell noted that the next UESB meeting is scheduled for June 12, 2025.

It was moved by Dr. Nadauld and seconded by Vice Chair Church to adjourn the meeting. The motion carried unanimously.

The meeting was adjourned at 12:35 p.m.



Executive Director, my529



Date