

The Board of Trustees of the West Virginia College and Jumpstart Savings Programs

Investment Committee Meeting Minutes

315 70th Street, SE – 2nd Floor Conference Room
Microsoft TEAMS Optional

September 3, 2025
9:00 a.m.

The Investment Committee Meeting of the Board of Trustees of the West Virginia College and Jumpstart Savings Programs was called to order on Wednesday, September 3, 2025 at 9:00 a.m. A silent roll call was taken, and a quorum was established. Mr. Chris Heller-Chair, Ms. Clea Harless and Mr. Patrick Smith were in attendance.

The following consultants were present: Mr. Chris Morvant, Ms. Allison Mortensen, and Mr. James Glendon representing Hartford Funds; and Ms. Tiffany Spudich, Ms. Susan Somers and Mr. Corey Waddell representing Capital Cities.

The following WVSTO staff members attended: Ms. Betsy Chapman, Ms. Lindsay Marchio, Ms. Gina Joynes, Mr. Karl Shanholtzer, and Ms. Amy Hamilton.

The agenda consisted of the following:

- I. Call to Order – Silent Roll Call
- II. Consideration of Minutes from the June 11, 2025 Meeting
- III. Annual Review of Investment Committee Charter and Annual Confirmation of the Completion of the Investment Committee Duties
- IV. Quarterly Investment Report -Capital Cities
- V. Consideration of Recommendation of Funds for Watch List
- VI. Consideration of Recommendations related to the Investment Policy Statement
- VII. Other Business

Adjournment

Agenda Item I. Call to Order – Silent Roll Call

The Chair noted a silent roll call was taken and a quorum was established.

Agenda Item II. Consideration of Minutes from the June 11, 2025 Meeting

The Chair indicated the second order of business on the agenda was the approval of the minutes from the Investment Committee meeting on June 11, 2025. The minutes were previously circulated with the Board packet. Patrick Smith made a motion to accept the minutes as presented. The motion was seconded by Clea Harless. There being no discussion, the members were polled, and the motion carried.

Agenda Item III. Annual Review of Investment Committee Charter and Annual Confirmation of the Completion of the Investment Committee Duties

The Chair indicated the next order of business on the agenda was the annual review of Investment Committee Charter (Charter). The Chair noted that the Investment Committee is charged with assessing the adequacy of the Charter annually and requesting Board approval of any necessary changes. The Chair further indicated that after reviewing the Charter language, Board staff currently have no recommended changes to the Charter and the Chair concurred. Members were polled asking for any concerns or proposed changes regarding the Charter language. Hearing none, the Chair moved to confirm the responsibilities outlined in the Charter have been carried out. After careful review of the Charter language, the Chair made a motion to confirm that the responsibilities outlined in the Charter have been completed for the fiscal year ended June 30, 2025. Patrick Smith seconded the motion. There being no discussion, the members were polled and the motion carried.

Agenda Item IV. Quarterly Investment Report -Capital Cities

Moving on, the Chair introduced the new investment consultants from Capital Cities from Indianapolis, Indiana. The new consultants- Tiffany Spudich, Principal and Chief Investment Officer, Susan Somers, Consultant-Plan Operations and Corey Waddell, Principal and Director of Consulting. The Chair recognized the team to give the Quarterly Investment Report. Ms. Spudich reviewed the report noting the first section of the report includes Observations, Operational and Ongoing Monitoring sections that highlight the focus of the current quarter. Topics this quarter include a review of the Savings Plan Trust Fund Investment Policy Statement (IPS), a personnel change to several underlying funds in The Hartford SMART529, and the final closure of The Hartford SMART529 Class B shares.

Ms. Spudich continued explaining the investment report which includes a Total Program Summary that highlights key points such as market values, performance and a spotlight grid which details the monitoring of investment options from a qualitative and quantitative perspective. Ms. Spudich described that each of the three SMART529 plans have a full performance and market evaluation report which is followed by an Appendix which outlines fees and benchmarks. Ms. Spudich turned the meeting over to Mr. Waddell.

Mr. Waddell began the Market Overview noting equity market returns had a lot of volatility with April markets sharply down, but saw some positive economic and trade news throughout the quarter which helped to raise markets. Momentum drove equity returns for the quarter. The Large Cap Growth Index was up almost 18%. This is where the Magnificent 7 and AI driven names reside, creating a rising tide for overall markets, the last several years. Looking at international returns, the Emerging and Developed were both strong performers. The bottom of page 3 focuses on Fixed Income results. The broad proxy used for U.S. Fixed Income is the Aggregate column. It was up 1.25% for the period, now over the trailing one-year time period, it's up 6%. Mr. Waddell noted Fixed Income is behaving like it should and there aren't massive bouts of volatility driven by moves in interest rates and moves in inflation we've been seeing since 2022. More recently the Federal Reserve held interest rates steady and commentary has led us to believe the market will see interest rate cuts in September.

On page 4, Mr. Waddell explained the bottom left side breaks down the markets by sectors. Information Technology (which includes the Magnificent 7 and AI names) was up by almost 24% for the quarter. The value styles of Energy and Health Care were a challenging environment. There is additional detail on page 5 on the Fixed Income markets that tell a specific story about a move and yields on the interest rate curve or spreads relative to Treasuries at the bottom of the page.

Mr. Waddell described pages 6 and 7 as the Total Program Summary. The sum of Age-Based and Static Portfolios equal the pre-diversified portfolios which are about 65% of The Hartford SMART529 assets. Page 8 details the Investment Manager Spotlight Grid. This quickly summarizes Capital Cities' view on underlying fund options and diversified portfolios that make up the program.

Mr. Waddell described the four stoplight colors: green-everything is good to excellent, yellow-caution, black-watch status, and red-action is required or is being taken. Each fund has a performance time period: short-term is 3 years and long-term is 5 years. Mr. Waddell continued providing additional commentary on the report. He summarized various statistics on The Hartford SMART529.

Continuing the report, Ms. Somers reviewed SMART529 Select, noting on page 17, the portfolios were in good standing based on the IPS. She reviewed the 1-year time period returns for age-based and static portfolios.

Moving on to SMART529 WV Direct, Ms. Somers reviewed the age-based, static and individual portfolios. She noted all SMART529 WV Direct portfolios were in good standing. She reviewed performance for the 1-year time period. Per discussion, Ms. Spudich noted that benchmarks (also found in the IPS) will be added to the Investment Consultant Report Appendix.

The following update provides details on plan assets and the Stoplight status of each portfolio and their corresponding Stoplight status.

The Hartford SMART529

Assets: \$1,881,623,859

Fund Name	Color	Stoplight Status
Hartford Checks & Balances	Yellow	Short-Term Performance, Long-term Performance
Hartford Equity Income 529 Fund	Yellow	Short-Term Performance
Hartford MidCap 529 Fund	Black	Qualitative Review, Short-Term Performance, Long-Term Performance
Hartford MFS Global Equity 529 Fund	Yellow	Short-Term Performance, Long-Term Performance
Hartford Equity Income F	Yellow	Short-Term Performance
Hartford Small Cap Growth F	Yellow	Short-Term Performance, Long-Term Performance
Hartford Capital Appreciation F	Yellow	Short-Term Performance, Long-Term Performance

SMART529 Select

Assets: \$732,880,478

All funds in good standing.

SMART529 WV Direct

Assets: \$571,235,960

All funds in good standing.

Agenda Item V. Consideration of Recommendation of Funds for Watch List

Next, the Chair asked if any members wish to recommend to the full Board that any investment option on the Exception Report be escalated to the Watchlist. Ms. Spudich noted Capital Cities does not have any recommendations at this time and recommended maintaining those currently on the Watchlist. Hearing no recommendations from the Investment Committee, the Chair moved to the next agenda item.

Agenda Item VI. Consideration of Recommendations related to the Investment Policy Statement

The Chair recognized Capital Cities to review suggested changes to the IPS. Ms. Spudich noted that the IPS language was reviewed and much of the existing language was preserved. She noted Hartford Funds and WVSTO staff reviewed the changes. Ms. Spudich stated additional language was added comparable to other 529 plan clients service by Capital Cities. Further updates included:

- An expansion of the Guidelines and Investment Policy section.
- Several terms were added under Definition of Terms.

- An Appendix lists Key Information on the program along with all investment options and their benchmarks.

The Chair asked if there were any questions regarding the draft IPS being recommended by the consultant. Hearing no questions, the Chair asked for a motion for the Investment Committee to recommend the full Board repeal and replace the West Virginia Savings Plan Trust Fund Investment Policy Statement from August 2024 with the new draft version explained by Capital Cities. Mr. Smith moved the motion and Ms. Harless seconded. Hearing no discussion, the Chair polled the members and the motion carried.

Agenda Item VII. Other Business

The Chair advised the next meeting of the Investment Committee will be announced in accordance with the Open Meetings Act once the date and time has been determined. The Chair asked if there was any further business to be brought before the Investment Committee. Hearing none, Mr. Heller made a motion to adjourn the meeting. The motion was seconded by Patrick Smith. The Chair declared the meeting adjourned at 9:36 a.m.

Prepared by Amy Hamilton
Committee Approval Date: 12/3/25

Submitted by:



Chris Heller, Chair
Investment Committee