

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

Quarterly Board of Trustees Meeting

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

December 3, 2025

10:00 a.m.

The Quarterly Meeting of the Board of Trustees of the West Virginia College and Jumpstart Savings Programs was called to order on Wednesday, December 3, 2025, at 10:00 a.m. A silent roll call was taken, and a quorum was established. The following members were present: Mr. Steve Bohman (Chair), Mr. Chris Heller, Mr. Phillip Uy, Dr. Bonny Copenhaver, Ms. Phyllis Arnold, Ms. Cleta Harless, Mr. Patrick Smith, Ms. Marguerite Horvath, Mr. Justin Williams and Mr. Brian Weingart. Dr. Dan Anderson was not in attendance.

The following consultants were present: Mr. Chris Morvant, Mr. Jim Glendon, Ms. Allison Mortensen, Mr. Rick Fuerman and Mr. Jorn Otte representing Hartford Funds; Ms. Tiffany Spudich, Ms. Susan Somers, and Mr. Corey Waddell representing Capital Cities, LLC; and Mr. Todd Erskine representing Dimensional Funds.

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

The agenda consisted of the following:

Call to Order – Silent Roll Call

- I. Consideration of the September 3, 2025, Regular Quarterly Board Meeting Minutes
- II. Chairman’s Report
 - a. Morningstar 2025 Results – Betsy Chapman, Assistant Treasurer
 - b. Savingforcollege.com Ratings – Betsy Chapman, Assistant Treasurer
 - c. Financial Update – Betsy Chapman, Assistant Treasurer
 - d. Due Diligence Report – Amy Hamilton, Director
 - e. SMART529 Operational Update – Amy Hamilton, Director
 - f. Jumpstart Operational Update – Annie Norrod, Director
- III. Audit Committee Report
- IV. Investment Committee Report
- V. Program Manager Quarterly Report–Hartford Funds
- VI. Program Investment Consultant Quarterly Report – Capital Cities
- VII. Consideration of Funds for the Watch List
- VIII. Consideration of donation for the Jumpstart Savings Program
- IX. Other Business

Adjournment

Call to Order

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

Agenda Item I. Consideration of the September 3, 2025, Quarterly Board Meeting Minutes

The Chair indicated the first order of business on the agenda was the approval of the regular meeting minutes from the September 3, 2025, quarterly Board meeting. The minutes were circulated as part of the Board packet. As there were no additions or corrections to the minutes, the Chair asked for a motion to accept the minutes. The motion was made by Chris Heller and seconded by Dr. Bonny Copenhaver. There being no discussion, the Chair polled the members, and the minutes were approved as presented.

Agenda Item II. Chairman's Report

The Chair turned the meeting over to Betsy Chapman for the Chairman's Report. Ms. Chapman stated Morningstar released their national ratings of fifty-nine 529 plans on November 10, 2025. Of the three plans under the SMART529 umbrella, only The Hartford SMART529 plan has sufficient assets to be rated by Morningstar. The full write-up is under Tab 3 of the Board packet.

The Hartford SMART529 maintained a Neutral rating overall with the People and Parent pillars receiving a Positive score, the Process pillar receiving a Neutral score, and the Price pillar receiving a Negative score.

It is important to note that The Hartford SMART529 plan is one of the more affordable advisor-sold plans. Ms. Chapman mentioned a few highlights of the analyst's official write-up:

- Hartford's multi-asset solutions team earns an Above Average People rating for its thoughtful approach and original research on education savings which informs portfolio decisions.
- Oversight from the West Virginia's State Treasurer's Office supports an Above Average Parent rating. The plan benefits from multiple layers of governance, including a Board of Trustees and an Investment Committee composed of professionals with relevant experience.
- Encouragingly, the state now offers clean share classes that exclude distribution and maintenance fees.

In conclusion, Ms. Chapman said collaboratively, we will continue to strive to improve our Morningstar rating.

Ms. Chapman gave an update on Savingforcollege.com rankings. Saving for College is an industry website that provides ratings of 529 plans. Each of the three SMART529 plans continue to receive a score from 1 to 5 caps (similar to stars used by hotels and restaurants). She reported that all SMART529 plans were rated at 4.5 to 5 stars and all three plans received “Top of the Class” awards and had the highest rating of “Best” for state resident benefit.

Ms. Chapman provided the financial update noting key fund balances:

College and Jumpstart Savings Administrative Fund	\$5,477,453
Prepaid Tuition Trust Escrow Fund	\$1,170,888
Jumpstart Savings Trust Fund (Invested with WV BTI)	\$2,006,972
Jumpstart Savings Trust Fund (Individual Accts. With United Bank)	\$ 53,171

Ms. Chapman noted the Jumpstart Savings Program was updated on October 1 and next quarter’s report will include the number of individual accounts with BTI. The contract with United Bank will end on December 31. She noted Annie Norrod will provide additional information on Jumpstart in her report. The FY 2025 financial statement audit has been completed. It was presented to the Audit Committee on October 7 and submitted to FARS on October 10 which was before their deadline of October 15. Ms. Chapman stated she is wrapping up the Annual Comprehensive Financial Report, and it will be submitted to the Government Finance Officers Association this week, well before the deadline of December 31.

The contract for external auditor Brown Edwards, LLC will run out June 30, 2026. There are two renewal options for the contract and the WVSTO plans to exercise the first renewal next spring.

Ms. Chapman turned the meeting over to Amy Hamilton to give the SMART529 operational update. Ms. Hamilton noted the quarterly status report was filed with the Legislative Librarian in November and is posted on Treasurer’s website. It can be found under Tab 2.

Ms. Hamilton stated that during the quarter, the SMART529 Savings Plan added 1,339 accounts, ending the period with over 107,350 active nationwide accounts. The assets were valued at \$3.2 billion. Of the nationwide accounts, 40,373 are West Virginia resident accounts with a total value of \$931,638,786.

Treasurer Pack announced the winner of the grand prize winner of the WIGU essay contest in September. She is Cora Neace from Cabell County. The contest timeframe was moved to fit into one school year. The WVSTO has been promoting the contest since October with the deadline being Friday of next week. Other significant activities and community events can also be found in the report.

Ms. Hamilton noted she and Betsy Chapman attended the annual due diligence meetings with Hartford Funds on November 5-6. Various other Treasury staff including Marketing, IT and Legal attended virtually along with Capital Cities.

There were eleven meetings on various topics, including a firm update with Hartford Funds' President Greg Frost. You will find a memo from Capital Cities under Tab 5 of the Board Packet.

Ms. Hamilton turned the meeting over to Ms. Norrod for the Jumpstart Savings Program report.

Ms. Norrod noted the transition of the Jumpstart Savings Account to a state tax-advantaged investment account, managed by the Board of Treasury Investments (BTI), was successfully completed on October 1, 2025. All planned enhancements to the Jumpstart Savings Program have been fully implemented, offering greater functionality and flexibility for account holders. Key deliverables were achieved, including the development of updated Business Rules, a new Disclosure Document, prepaid card functionality, and gifting options for non-account holders. A major benefit of the enhanced program is the ability for account owners to manage their accounts entirely online. Users can now initiate and update accounts, set up recurring deposits, create personalized gifting pages, and view account balances through a secure online portal. Support is being provided to participants transitioning from United Bank's basic savings product to the new investment platform. BTI will assume management of individual accounts as they are initiated through the dedicated online portal integrated with the recordkeeping system.

Ms. Norrod noted the update is as of September 30, 2025, however, she wanted to make the Board aware of the current progress since the conversion at October 1, 2025. As of now, 25% of existing funded account holders have transitioned to the investment platform, and the program has experienced a 16% increase in new account openings compared to the previous total. The total combined deposits in the investment platform equate to \$14,757 as of today.

Ms. Norrod continued by stating ongoing communication efforts include newsletters, flyers, emails, and traditional mail. In collaboration with the Treasurer's Communications Division, a successful press event was held on October 23, 2025, at the Charleston Electrical Joint Apprenticeship and Training Committee Facility. Treasurer Larry Pack and Justin Williams announced the program enhancements during the event. Feedback from participants and event attendees has been overwhelmingly positive, particularly in response to the new online access, investment platform, prepaid card features, and gifting options.

Agenda Item III. Audit Committee Report

The Chair recognized Mr. Uy to give the Audit Committee Report. Mr. Uy stated the Audit Committee met on October 7, 2025. During the meeting, the Committee first approved the minutes from the previous Audit Committee meeting on May 12, 2025.

The Audit Committee then heard a risk assessment presentation from Internal Auditor, Lisa Rutherford, who reported no significant findings during the audit. Other elements included business continuity and disaster recovery plans for both SMART529 and Jumpstart.

The Audit Committee heard from the Board's external auditors, Brown, Edwards & Company, regarding the financial statements for the year ended June 30, 2025. The auditors indicated

that the financial statements were given an unmodified, or clean, audit opinion. In addition, the auditors also reported no material weaknesses or significant deficiencies in internal control. The Audit Committee voted to accept the FY2025 audited financial statements and all related communications.

Assistant Treasurer, Betsy Chapman, provided a general overview of the duties outlined in the Audit Committee Charter. Board staff have no recommended changes to the language contained in the Charter and believe the duties outlined have been fulfilled for the year ended June 30, 2025.

The Chair noted there were separate discussions, independent of management with the external and internal auditors. It was determined there were no matters to be brought to the Audit Committee's attention.

The Audit Committee then voted to confirm that they had completed the annual responsibilities outlined in the Audit Committee Charter for the fiscal year ending June 30, 2025. This concluded the report.

Agenda Item IV. Investment Committee Report

The Chair recognized Chris Heller to give the Investment Committee Report. Mr. Heller stated the Investment Committee met this morning at 9:15 a.m. and first approved the minutes from the September 3, 2025, meeting.

Capital Cities provided an update on Due Diligence meetings at Hartford Funds on November 5-6. A formal memo can be found in the Board packet under Tab 5.

The Investment Committee heard a presentation from Capital Cities regarding the Quarterly Investment Report for the quarter ended September 30, 2025. Based on the information presented and recommendations from Capital Cities, the Investment Committee had no recommendation to escalate any of the investment options to the Watchlist at this time.

Lastly, the Investment Committee heard an update on Morningstar and Saving for College ratings.

This concluded the report.

Agenda Item V. Program Manager Quarterly Report

Moving on to the Program Manager's Report, the Chair recognized Chris Morvant, Hartford Funds. Mr. Morvant noted as of September 30, 2025, SMART529 program assets were \$3.23 billion. This was up 4% year over year. SMART529 WV Direct assets were up 13% year over year. We are approaching a new, high watermark as of \$600,000,000 within SMART529 WV Direct.

Mr. Morvant continued to slide 5 of the report to explain a deep dive into the relative impact on SMART529 in the industry as a whole. Looking at impact in West Virginia, he noted there are over 40,000 accounts with \$931m in assets. SMART529 is up 2.5% in total accounts. He noted market appreciation has helped raise the total number of assets as well as the average account balance. The total number of accounts is always impacted by the accounts that have closed. Accounts that are closing and rolling off have exceeded the natural organic decay which is what we might expect.

Regarding SMART529 WV Direct, there are over 24,000 accounts, up 5% year over year with \$538m in assets and an average of \$22,000 account balance.

Mr. Morvant moved to WV Direct New Accounts for the quarter. New accounts are up 23%. This year is shaping up to be one of the strongest in four years. He noted that in 2024 accounts with recurring contributions were at 42%. An additional 12% made at least a one-time contribution if they weren't making recurring contributions. Seeing 54% of accounts making contributions is a great benchmark and we'll seek to increase this number going forward.

Continuing with the Call Center Metrics, Mr. Morvant explained it was a high-volume quarter for the Call Center with over 10,000 calls handled across all three SMART529 plans. The average speed to answer was very strong at 18 seconds and well below the 45 second average speed to answer.

Mr. Morvant moved to slide 8, Saving For College ratings. He noted Saving For College rolled out enhanced metrics in 2024. Hartford Funds provides quarterly investment performance for all three SMART529 plans. Ratings categories include performance, ease of use, savings success (in relation to program fees and gifting platforms), and program delivery (customer service metrics, tenure of program manager). Mr. Morvant noted that SMART529 plans have received the highest awards, "Top of the Class". In a total universe of 85 529 plans, thirteen plans received that honor. All SMART529 plans received a five out-of-five rating perspective.

Mr. Morvant also mentioned Morningstar ratings, which receives a substantial amount of focus from Hartford Funds, the Treasurer's Office, and Capital Cities. Morningstar only rates The Hartford SMART529. Its methodology is broader. Many financial advisors subscribe to Morningstar. Dr. Copenhaver noted these findings seem to show West Virginians still seem to trust higher education and the desire for an education beyond high school. Mr. Morvant agreed. He noted the Neutral rating Morningstar was positive and something to be proud of.

Moving to slide 12, Mr. Morvant noted there will be an increase in the overnight delivery free for checks from \$15.00 to \$25.00 on January 30, 2026. The current amount has been in place since 2010.

Mr. Morvant turned the meeting over to Rick Fuerman for a marketing update. Mr. Fuerman noted a "Top of Class" banner has been added to the plan websites. He noted there has been a

decrease in web activity from the impact of Google's AI overview feature but it has stabilized overall. He noted the average time on the website jumped up 20% due to the promotion of the One, Big Beautiful Bill (H.R. 1). This page touts the expanded expenses for 529 plans. Mr. Fuerman also mentioned the new social campaign featuring a new testimonial video featuring Katie, a SMART529 beneficiary. A :30 and :60 second testimonial was produced. Discussion surrounding the expansion and types of institutions and programs for SMART529 use. Ms. Arnold suggested Board members receive an updated Offering Statement.

Mr. Fuerman turned the meeting over to Jorn Otte. Mr. Otte pointed to slide 16 for an overview of presentations for the quarter. The Chair asked if there were any additional questions for the Hartford team. Hearing none, the Chair recognized Capital Cities for a review of the quarterly investment report.

Agenda Item VI. Investment Consultant Quarterly Report

Ms. Spudich pointed to Tab 4, noting the Considerations and Observations which feature Due Diligence meetings of which a memo was provided under Tab 5. Ms. Spudich noted personnel changes to the Hartford Mid Cap Value Fund, Hartford Balance Income Fund and Hartford World Bond Fund. She noted on the stoplight report there was a downgrade to the long-term performance of the Hartford Growth Opportunities Fund to yellow for caution. The Hartford Mid Cap Fund will continue to be closely monitored, seeking improved performance and personnel stability. Capital Cities will provide a recommendation in the first half of next year to retain or replace this fund, according to the Investment Policy guidelines. There were some additions to the Investment Report- added cash flows for each of the three plans along with additional information in the Appendix section to include the Age-Based and Static Portfolios underlying funds, benchmarks and allocations.

Ms. Spudich turned the meeting over to Corey Waddell. Mr. Waddell noted third quarter markets were definitely additive for all asset classes. He noted the bar charts represent equity markets and these are various indices represent different styles and market capitalizations. The Large Cap Core is representative of the S&P 500 and it has advanced 8% for the quarter and is up over 17.5% on the trailing one-year time period. Fixed Income has been behaving like Fixed Income, meaning investors can use it for liquidity and it's a balance for the overall portfolio. The Federal Reserve cut interest rates in September for the first time in 2025. That happened again in October.

Moving to the Stoplight Grid, Mr. Waddell noted the Hartford Growth Opportunity Fund has been changed from green to yellow. There were no additional changes. Mr. Waddell noted more aggressive portfolios in The Hartford SMART529 were above 6% for the quarter. Looking at more conservative portfolios, you can see the benefit of the bull market, up over 5% over that annualized period.

Mr. Waddell moved on to the SMART529 Select plan, noting all of the portfolios were green on the Stoplight report. Very similar returns to The Hartford SMART529. The portfolios in the

SMART529 WV Direct plan also show all green on the Stoplight Report. Mr. Waddell concluded by noting it was a great quarter for investors, especially in the equity markets.

The following update provides details on total SMART529 plan assets and the Stoplight status of any portfolio which has been escalated to yellow, black or red on the Stoplight Report for the quarter ending September 30, 2025.

The Hartford SMART529

Assets: \$1,894,021,274

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 Growth Opportunities Fund	Yellow Long-Term Performance (<i>newly added</i>)
Hartford MidCap 529 Fund	Black Qualitative Review, Short-Term Performance, Long-Term Performance
Hartford MFS Global Equity 529 F	Yellow Short-Term Performance, Long-Term Performance
Hartford Equity Income Fund	Yellow Short-Term Performance
Hartford Small Cap Growth Fund	Yellow Short-Term Performance, Long-Term Performance
Hartford Capital Appreciation Fund	Yellow Short-Term Performance, Long-Term Performance

SMART529 Select

Assets: \$745,925,069

All funds in good standing.

SMART529 WV Direct

Assets: \$594,618,788

All funds in good standing.

Agenda Item VII. Consideration of Funds for the Watch List

Moving to the next agenda item, the Chair asked if any members wish to recommend an investment option be added to the Watch List. No recommendations were heard at this time.

Agenda Item VIII. Consideration of donation for the Jumpstart Savings Program

The Chair recognized Ms. Norrod to give a presentation regarding donations to the Jumpstart Savings Program. Ms. Norrod stated the family of Lawrence Cameron had set up a foundation in memory of their son who passed away after a motorcycle accident. His passion in life was motorcycle riding and his technical school. He attended Monongalia County Technical Education Center and found his home there. He graduated with certifications in Building and Maintenance and Electrical. The Lawrence Cameron Send it Foundation partners with like-minded organizations to promote both physical and mental growth in young adults. They have generously decided to donate \$3,000 to the Jumpstart Savings Program. These funds, if accepted, will be used to give \$100 to the first 30 participants who sign up under the new platform of the program. Ms. Norrod stated she was seeking board action to accept the funds and approve the distribution of the funds as stated. Dr. Bonny Copenhaver moved to accept and distribute the funds to the first 30 participants, and Mr. Patrick Smith seconded the motion. The Chair polled the members and the motion passed.

Agenda Item IX. Other Business

The Chair asked if there was any further business to be brought before the Board and none was heard. The next regularly scheduled meeting will be announced in accordance with the Open Meetings Act. Justin Williams moved the meeting to be adjourned. The motion was seconded by Patrick Smith. Hearing no discussion, the members were polled, and the motion carried. The Chair declared the meeting adjourned at 11:09 a.m.

Prepared by Amy Hamilton
Board Approval Date: 3/4/26

Submitted by:



Stephen J. Bohman
Deputy State Treasurer