

## The Education Trust Board of New Mexico

THE HONORABLE MICHELLE LUJAN  
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GOVERNOR OF NEW MEXICO

STEPHANIE RODRIGUEZ  
CABINET SECRETARY  
NEW MEXICO HIGHER EDUCATION DEPARTMENT



BOARD MEMBERS  
GARY L. GORDON, CHAIR  
MONT GREEN  
LAWTON DAVIS  
CHAMIZA PACHECO DE ALAS  
VALERIE VALLES-PEDROZA  
  
EXECUTIVE DIRECTOR  
NATALIE CORDOVA

Meeting Minutes of  
November 5, 2025  
33 Plaza La Prensa  
Santa Fe, New Mexico 87507

### **Board Members**

Gary L. Gordon, Chair  
Mont Green, Member  
Lawton Davis, Member  
Chamiza Pacheco de Alas, Member (remote)  
Valerie Valles-Pedroza, Member

### **ETB Staff**

Natalie Cordova, Executive Director  
Jeff Turcotte, Director of Outreach and Marketing  
Natalie Zamora, Financial Analysis Specialist

### **Meketa Investment Group**

Kay Ceserani, Managing Principal

### **Hogan Lovells**

Helen Atkeson, Partner

### **Sommer, Udall**

Kurt Sommer, Partner

### **Ascensus**

Tom Lowe, VP Investment Management  
Khalel Pritchard, Director, Relationship  
Management

### **Morton Accounting Services**

Janet Pacheco-Morton, CPA

### **Esparza Advertising**

Del Esparza, CEO

Lindsey Lubenow, VP of Accounts & Media

### **Sunny505**

Dezaree Vega-Garcia, CEO

Jerry Matthews, Senior Account Executive

### **Principal**

James Fennessey, Portfolio Manager, Director of  
Research

Scott Smith, Portfolio Manager

Chad Severin, Asset Allocation Analyst

Jori Horn, 529 Marketing Director

Brandon Miller, Director of Operations

## 1) CALL TO ORDER

The meeting was called to order at 9:01 AM by Mr. Gordon. Mr. Gordon, Mr. Green, and Mr. Davis were present. Ms. Pacheco de Alas joined via Zoom at 9:02 AM. Ms. Valles -Pedroza arrived at 9:02 AM. Mr. Gordon thanked the consultants and advisors for helping to keep the agenda on track last meeting.

2) APPROVAL OF AGENDA

There were no changes to the agenda. The agenda was approved unanimously

3) APPROVAL OF MINUTES 8/6/2025

Mr. Green made a motion to update the draft meeting minutes from the August 8, 2025 meeting to remove an attendee erroneously included on the list that was not present. The updated minutes were approved unanimously.

4) PUBLIC COMMENT

There was no public comment.

5) EXECUTIVE DIRECTOR'S REPORT – Natalie Cordova, Executive Director

Ms. Cordova welcomed and introduced ETB's new Director of Outreach and Marketing, Jeff Turcotte. She noted he has a well-established marketing background and celebrated coaching career at St. Pius X High School.

ETB's Fiscal Year (FY) 25 audit has been completed and has been submitted for review by the State Auditor's Office, who will give final authorization for public release. ETB's FY27 Budget was submitted by the state deadline and there was a brief Legislative Finance Committee budget presentation in October.

Morningstar 529 Plan ratings for 2025 are expected to be released next week.

a) FY 2026 1<sup>st</sup> Quarter Financial Report – Janet Pacheco-Morton, Morton Accounting Services

Ms. Pacheco-Morton provided an overview of the administrative fund financial statements for the 1st quarter of FY26, including commentary on a new government accounting standard implementation related to compensated absences. She noted expenses are within budget.

Ms. Pacheco-Morton provided an overview of the fiduciary fund financial statements for the same quarter. There was a motion to accept the unaudited financial statements. The motion was accepted unanimously.

b) Open Meetings Resolution for Calendar 2026

Mr. Gordon introduced the Open Meetings Resolution for Calendar 2026. He provided an overview of the resolution and proposed meeting dates. Mr. Gordon called for a motion to approve the Open Meetings Resolution for Calendar 2026. The resolution was approved unanimously.

c) Outreach update from Anne McKinney

Ms. McKinney, who provides outreach services for ETB's The Education Plan on a contract basis, provided an overview of outreach efforts she's assisted with. She detailed a number of events, including the City of Albuquerque benefits fair, CNM employee benefits fair, TriCore employee benefit fair, the Enchantment Games, UNM football games, the Spooky Science Fair, and the College

and Career Day at Explora, and more. Ms. McKinney shared feedback heard from parents and families while providing outreach.

Mr. Gordon thanked Ms. McKinney for her work. Ms. Valles-Pedroza talked about the importance of this work and helping families to understand 529 plans. Ms. Valles-Pedroza asked if we have a specific demographic for our marketing efforts. Ms. Cordova noted that there is analysis and research from our partners on key demographics for us to reach. She noted financial literacy and rural outreach is part of our mission, Ms. Valles-Pedroza asked about the minimum contribution amount. She wants to look into the needs of families and wants us to reach as many communities as possible.

6) PROGRAM MANAGER'S QUARTERLY OPERATIONS AND INVESTMENT REPORTS—  
Khalel Pritchard and Tom Lowe, Ascensus –Scott Smith, James Fennessey and Chad Severin,  
Principal

Mr. Pritchard discussed the quarterly plan updates for The Education Plan (TEP) and Scholar's Edge (SE). He discussed some key statistics for each plan. He noted a CEO leadership transition in January with Ascensus. He noted that the new process for outstanding checks is in place. Mr. Green asked about the decline in funded accounts from the prior year. He asked if they are seeing the same thing for other plans. Mr. Pritchard noted it is not too unusual. They are seeing a shift from advisor to direct subscribers in general.

Mr. Lowe reviewed quarterly performance for The Education Plan investments. He noted that early in the year there was a drop in the market that recovered quickly. He noted housing and energy prices are down this year and rate cuts have helped small cap stocks. He noted that with the fed rate cuts, longer term bonds are outperforming shorter term bonds. Passive YOE portfolios were in line with the custom benchmark for the quarter. The passive allocation portfolios are in line with custom benchmarks. All active asset allocation portfolios have outperformed for the year to date and 1 through 5 year time periods. Mr. Green asked Mr. Lowe some additional questions about debt levels and rates.

Mr. Smith began the Scholar's Edge investment discussion. Mr. Smith opened with discussion regarding AI's impact to investments. He discussed the market outlook. Mr. Smith discussed the 529 portfolio performance including underperformance from active managers. He then moved on to discuss static portfolios as well as peer relative 529 performance. Mr. Severin discussed the underlying strategy performance for the YOE portfolios. They discussed Principal Blue Chip noting disappointment by the performance. Mr. Green asked the team to expand on recent risks. Mr. Fennessey then moved on to discuss underlying strategy performance for the Stand-Alone Options. Mr. Gordon and Mr. Green asked additional questions of the investment team regarding performance and benchmark(s).

a) Nuveen Real Estate Security Institutional Fund Review - Tom Lowe, Ascensus and Kay  
Ceserani, Meketa

Ms. Ceserani provided background of the Nuveen Real Estate Securities fund on watch list for 12 months. She reviewed the fund's total allocation, performance and alternative funds, ultimately noting they do not recommend replacement at this time. Mr. Lowe noted that sticking with Nuveen last quarter was a good idea and noted they recommended keeping the fund at this time with further monitoring. The board members discussed the fund, and no member elected to make any motion.

7) INVESTMENT CONSULTANT’S QUARTERLY REPORT AND WATCH LIST  
RECOMMENDATIONS – Kay Ceserani, Meketa Consulting

Ms. Ceserani began the Meketa report, including review of account growth by each plan and national rates, noting the direct plans have taken over more of the market share and keep creeping up year-over-year and they expect that to continue. She reviewed a summary of fund performance status. Ms. Ceserani reviewed the watch list, noting three funds qualify for watch list, while one was removed. Mr. Green discussed the Principal Blue Chip fund. Ms. Ceserani noted the fund would be studied during the annual review. Mr. Gordon called for a motion to approve the watch list memorandum. The motion was approved unanimously.

8) Investment Policy Statement and Monitoring Procedures and Criteria –

Mr. Gordon provided background on the investment policy statement, which is a model for other 529 plans. Ms. Ceserani noted both the investment policy statement and monitoring procedures and criteria are revised at least annually. She noted ETB has a carefully crafted investment policy statement. Mr. Gordon called for a motion to approve the updated Investment Policy Statement and Monitoring Procedures and Criteria. The motion approved unanimously.

Mr. Gordon called the Board to a brief recess at 10:33 AM. The meeting was resumed at 10:41 AM.

9) SCHOLAR’S EDGE FY 26 1ST QUARTER MARKETING, SALES AND DISTRIBUTION  
REPORT – Jori Horn and Brandon Miller, Principal

Ms. Horn discussed the quarterly report for July-September of 2025. She discussed some of the different back-to-school campaigns. For this fiscal year, they focused on the “The Edge” cube and it glowing. She then reviewed creative development and noted some updated information sent during Labor Day. They are working on their retirement and Roth IRA materials. She noted they attended the 529 conference this year and she was on a panel regarding AI.

Ms. Horn provided the year-over-year website metrics. There is a 72% year-over-year increase in their calculator usage. Ms. Horn discussed the budget review for the quarter. She noted they just put out their holiday campaign last week. She noted that they have seen a lot of research showing that Gen Z is looking into investing. They are working with experts across the industry and looking into how people are searching for our plan. Ms. Valles-Pedroza asked about strategies for starting early, and Ms. Horn responded and referenced literature Principal authors regarding the power of compounding. Ms. Valles-Pedroza noted she likes the idea of transitions in life and letting people know it’s not too late.

Mr. Miller discussed some Principal updates to leadership related to the 529 specialists. He noted they have seen steady new account growth. They have seen a 4% year-over-year growth of new accounts. He noted the average account growth is up, but it is primarily driven by markets. He noted there is a high amount of roll outs, mainly driven by one advisor and one family. They have been working on events to get in front of a large number of advisors. He gave Ms. Horn kudos for her work with NY Life. He noted Q4 is typically the strongest quarter. Mr. Green asked a question regarding advisors. Ms. Horn answered the question and provided some additional details. Mr. Miller noted they discuss this at so many conferences, it is a priority topic. He noted it is more so with changing behavior from individual advisors. Ms. Horn noted hearing topics like that is always beneficial and noted it is something that is helpful for them to potentially address.

**10) THE EDUCATION PLAN FY 26 1st QUARTER MARKETING REPORT – Jerry Matthews and Dezaree Vega-Garcia, Sunny 505 – Del Esparza and Lindsey Lubenow, Esparza Advertising**

Mr. Esparza discussed the goals and marketing objectives for FY26 for Esparza Advertising. He noted October will be the best October ever had for TEP. Ms. Lubenow provided a TEP breakdown by state across the U.S. and a breakdown of TEP in New Mexico. Ms. Lubenow discussed a new slide and noted they set up tracking to see where new accounts are started. She then went on to discuss the different sources, some of which include paper application, Ascensus email, digital ads, etc. A lot of changes have been made to the HED site, which is another source for new accounts. Ms. Lubenow also presented on generative AI traffic growth, year over year. As part of their ongoing vision strategy, they are working on Generative Engine Optimization updates. Mr. Esparza noted the way the AI platforms rank is different than Google, so they are working to make updates for this. Ms. Lubenow also went on to discuss email marketing, and they also did an account holder survey. Mr. Esparza noted the average satisfaction is great. Ms. Lubenow discussed the FY26 creative review. They have a “We have a plan for that” campaign. Mr. Esparza noted their recent campaign was inspired by recent discussions on ensuring people understand the different uses.

Ms. Vega-Garcia discussed Sunny 505’s integrated marketing plan/messaging. She then went on to discuss the FY26 Strategic Goals, FY26 PR Goals and Objectives, and their Core Strategies. Mr. Matthews noted that they are working on the “On the road campaign” and noted that Route 66 is nearing it’s 100-year anniversary. They also went on to discuss their PR activity for July-September of 2026. Mr. Matthews discussed the UNM Sports Partnership. He showed a new commercial and noted brand alignment. Mr. Matthews discussed the media strategy. They then went on to discuss the media overview and spend.

**11) EXECUTIVE CLOSED SESSION PURSUANT TO NMSA SECTION 10-15-1(H)(2) AND (7) OF THE OPEN MEETINGS ACT TO DISCUSS LEGAL AND PERSONNEL MATTERS**

A motion was made to move into closed session at 11:56 A.M. The motion was approved unanimously by a roll call. All five members agreed to be in closed session.

**12) ADJOURNMENT**

Each member was polled declaring that only legal and personal matters were discussed and agreed to return to open session at 12:41 PM. The Board then unanimously adjourned the meeting.