



State of Wisconsin
Department of Financial Institutions

Tony Evers, **Governor**

Wendy K. Baumann, **Secretary-designee**

COLLEGE SAVINGS PROGRAM

REGULAR COLLEGE SAVINGS PROGRAM BOARD MEETING
WEDNESDAY, DECEMBER 10, 2025

MINUTES

A regular meeting of the Wisconsin College Savings Program Board of Directors was held virtually via Microsoft Teams on Wednesday, December 10, 2025 at 9:00 a.m.

1) Call to Order and Roll Call

Board Vice-Chair, Kim Shaul, called the regular meeting of the College Savings Program Board to order at 9:01 a.m. with a quorum present. Shaul shared that Board Chair Bill Oemichen was unable to attend today's meeting.

Board Members Present Via Microsoft Teams

DFI Secretary-designee Wendy K. Baumann, Kim Shaul (Vice-Chair), Eric Fulcomer (WAICU), Charles Saunders (Universities of Wisconsin), Susie Bauer, Ryan McGuire, Mayra Alaniz, Sen. LaTonya Johnson.

Others Present Via Microsoft Teams

Wilshire: Steve DiGirolamo

Voya: Paula Smith, Lanyon Blair, James Harper

TIAA/TFI: Vivian Tsai, Regina Carmon, Jordan Jones, Jeremy Thiessen, Lucas Hartman, Merced Rector, AJ Babson

DFI: Jessica Wetzal, Cheryl Rapp, Chelsea Wunnicke, Craig Heilman, Matt Lynch, Krista Pleviak
General Public Attendees: Jacob Taylor (Sen. Johnson's office)

2) Agenda Approval and Public Posting Report

The agenda was received and staff reported that the meeting notice and agenda have been properly posted. Motion by Charles Saunders to approve the agenda. Second by Susie Bauer. The proposed agenda was approved unanimously by the board.

3) Approval of Minutes - September 17, 2025 Board Meeting

Eric Fulcomer motioned to approve the September 17, 2025, College Savings Program Board meeting minutes. Charles Saunders seconded the motion. The motion carried.

4) Administrative Reports

- a. Board Vice-Chair Comments** –Kim Shaul gave a brief overview of Edvest and Tomorrow's Scholar plan data through October 2025, sharing that Edvest has \$6.43B in assets under management (AUM) (up 15.6% YOY) across 245,699 accounts (up 4.6% YOY) with an average account size of \$26,173 (up 10.5% YOY). She added that Tomorrow's Scholar has \$2.65B in AUM (up 7% YOY) across 159,254 accounts (down 2% YOY), with an average account size of

\$23,757 (up 11% YOY). Program Director, Jessica Wetzle, noted that November of 2025 included the removal of zero-dollar accounts from the Tomorrow's Scholar reports, so the decrease in number of accounts YOY is due to this change.

- b. DFI Secretary-designee Comments** – Secretary-designee Wendy K. Baumann began her comments by thanking the College Savings Program team for their good work in 2025. She is leading strategic planning for DFI. This includes goals regarding inter-departmental connections, training and knowledge transfer, the state budget process, and other items. DFI staff, including Program Director, Jessica Wetzle, are participating in work groups that focus on strategic plan pillars of customer service; financial management; systems & processes; talent retention and acquisition; and innovation, growth & training. Baumann closed by sharing that the final strategic plan for DFI will be shared in 2026.
- c. Program Director Comments** – Program Director, Jessica Wetzle, began by providing information on the 2025 Morningstar results, noting that the board received the Morningstar writeups in November and both plans retained the ratings they received in 2024. Edvest retained a bronze rating and the Tomorrow's Scholar plan retained its negative rating. DFI and Voya submitted a formal response to the plan's analyst after reviewing the content of the Tomorrow's Scholar writeup, noting some inaccuracies and inviting a conversation. Board member Charles Saunders asked if the analyst's concern about proprietary funds in Tomorrow's Scholar seems to be a trend with their ratings of other plans. Paula Smith (Voya) and Jessica responded that this was surprising that it was called out, given that almost all advisor-sold plans have a large number of proprietary funds.

Program Manager Comments (Voya Investment Management)

- a. Third Quarter 2025 Tomorrow's Scholar Plan Highlights**

Paula Smith reviewed the Tomorrow's Scholar program through October 31, 2025. Sales of \$175M through October 2025, up 5% from 2024, were spread across 160+ broker/dealers nationally. AUM is \$2.65B. Smith shared that more than 2,680 new direct-held accounts have been opened YTD, up 33% YOY and at least 4,000 new omnibus accounts. 57% of contributions come from omnibus and omnibus-lite partners. Average account size across the plan is more than \$23.8k, up 11% YOY. She noted the broker/dealer partners who experienced YOY sales growth, with the highest growth at Baird at 107%, which they attribute to their new omnibus partnership. The majority of sales (\$115M) are from Wisconsin (66%) with top ten focus states making up most of the remaining sales.

Smith also provided the following highlights. Tomorrow's Scholar received a rating of "High Honors" from Saving for College (SFC) for the second year in a row. Saving for College has a different rating lens than MorningStar, and rates advisor-sold separate from direct-sold 529 plans. They take performance into account, and Tomorrow's Scholar is ranked #3 out of all advisor-sold plans for 10-year performance. The SFC rating also reflects ease of use and program delivery. The Tomorrow's Scholar gifting portal received \$1.38M in gifts YTD through October; a 53% increase in the amount of assets gifted, and 37% increase in the number of accounts receiving gifts YOY. Operational updates to the plan include increasing the number of e-forms to a total of ten and the launch of a mobile app in 2025, which are unique features for advisor-sold plans. Smith noted that call center metrics exceed service levels and have low abandon rates. The

interviews of advisors done in 2025 led Voya to add FAQs and e-forms, and to refine the content, including new educational material on the Tomorrow's Scholar website.

Third Quarter 2025 Tomorrow's Scholar Outreach and Marketing

Tomorrow's Scholar completed a "Did You Know?" email campaign to advisors during September college savings month to highlight key features of the plan. Webinars were also successful in 2025 with more planned for 2026. Currently in progress is a year-end gifting campaign, which started in early November, focusing on engaging with advisors in Wisconsin and their focus states via email, social media, and through educational webinars, to promote contributing to a 529 plan as a lasting gift.

Smith summarized by stating that 2025 saw robust account growth across direct-held channels, increased contributions over the prior year, and expanded digital capabilities and new educational materials for advisors.

5) Program Manager Comments (TIAA/TFI)

a. Third Quarter 2025 Edvest Plan Highlights

Regina Carmon provided an update on the Edvest Q3 Quarter plan activity. Carmon stated that the plan held \$6.3 billion in total assets, which is an increase of 12% YOY. Q3 contributions of \$111 million were up 12% YOY, with 42.8% contributions from recurring contributions, and 35% coming into the plan via ACH. Rollovers into Edvest were \$9.1M in the quarter. New accounts: 5,207 were opened in Q3, up 21% YOY bringing total accounts in the plan to 244,720, up 5% YOY. Carmon shared qualified distributions from the plan comprised 94.56% of all distributions for the quarter. Since inception, total qualified redemptions are \$3.2B. The top portfolios were shared, with Enrollment year Portfolios being the most popular (over 50%). The Edvest website is the primary way account owners and prospects interact with the plan. There are over 3,000 website visits daily, with nearly 57% of these from mobile devices. Carmon wrapped by showing Q3 efforts of Edvest's two dedicated Field Consultants, stating that they successfully held 12 webinars, conducted 104 one-on-one consultations, ten Edvest-At-Work lead generating activities, and onboarded one new Workplace Savings Partners. These efforts resulted in \$606,000 in AUM and 56 new accounts for Q3 and \$35 million since inception. Lastly, Carmon shared that the plan be rolling out universal enrollment in February 2026, allowing people to enroll online with fewer steps and better alignment between the website and mobile app.

Third Quarter 2025 Marketing & Outreach Report

Jackie James reviewed Edvest's marketing efforts for Q3. Efforts for the quarter included the launch of a College Savings Month campaign which resulted in 1,655 new accounts (an increase of 0.5% YOY) and \$25 million in contributions (a decrease of 24% YOY, however exceeding the goal and total contributions are up for the year). The program also had several local marketing initiatives including updating marketing materials with K-12 updates as a result of the passage of the Federal H.R. 1 bill, creating a newborn video, and launching a survey to Wisconsin families to gain insights on a potential future Children's Savings Account program. Paid social media presence with 5.4 million impressions and 117,000 clicks. Edvest achieved 2.54M PR impressions with a value of over \$41,000 and secured 5 earned-media spots. James shared the number of accounts opened each week in Q3 which shows the impact of marketing campaigns. James finished her marketing update by previewing Q4 efforts, including a bonus campaign in November and December, a focus on holiday gifting, updating the benefits webpage, a University

of Wisconsin Madison half-time engagement opportunity (Diaper to Dorm Derby), and planning for a successful 2026.

6) Proposed Edvest Investment & Asset Allocation Adjustments for 2026

- a. Jeremy Thiessen introduced investment team members Merced Rector and AJ Babson who joined TFI in October 2025 and are focused on manager research. Thiessen noted that Hannah Cheng is not on the call today, but is part of the investment team, and that TFI is currently hiring to replace an internal transfer, so the team has expanded. Jordan Jones and Lucas Hartman presented TFI's asset allocation study to evaluate the overall investment strategy for Edvest with primary focus on changes in capital market assumptions, an analysis of manager implementation across the investment program, a review of Enrollment Year Portfolios and all Static Portfolios, and the simulated probability of outpacing tuition inflation.

TFI recommend maintaining the current glide path asset allocation and static allocation options, with no recommended changes at this time, due to capital market assumptions that were presented.

Recommended changes, based on their review and discussions with the Board's independent investment consultant, Wilshire Advisors, is moving non-US exposure from a split allocation between developed and emerging market equities into one single fund across all portfolios. For Enrollment Year, Index-Based and Single Fund Portfolios, existing allocations in the Nuveen International Equity Index Fund and Nuveen Emerging Markets Equity Index Fund will be mapped into a Vanguard Total International Stock Index Fund. For Active-Based Portfolios, existing allocations from DFA Large Cap International and DFA Emerging Markets Core Equity will be mapped to DFA World ex US Core Equity Fund.

Board member, Wendy K. Baumann took over chairing the meeting, due to Kim Shaul needing to temporarily step away.

7) Investment Analysis & Discussion (Wilshire Associates) – CLOSED SESSION*

- a. Baumann welcomed a motion move into closed session. Susie Bauer motioned to move into closed session. Charles Saunders seconded the motion. A rollcall vote was taken and passed unanimously. The motion carried. The Board entered closed session at 10:10am.

The board returned to full session at 11:18am.

**A motion to go into closed session at this meeting is authorized pursuant to sections 19.85(1)(e) and 19.36(5) of the Wisconsin Statutes to consider confidential strategies for the investment of public funds, including the review of risk profiles of portfolio investments.*

8) TIAA Proposed 2026 Investment & Allocation Adjustments – VOTE

Baumann welcomed a motion to accept TIAA's recommended investment changes for 2026 to the Edvest plan. Susie Bauer motioned to accept. Mayra Alaniz seconded the motion. The motion carried.

9) Old Business

- a. None

Kim Shaul rejoined the meeting, but Bauman continued chairing for the remainder of the meeting.

10) New Business

a. College Savings Plans' Maximum Account Contribution Annual Increase

Baumann and Program Director, Jessica Wetzel, reviewed a proposal to adjust the maximum Wisconsin 529 plan account contribution limit (as the sum of all Wisconsin plan accounts for the same beneficiary) from \$589,650 to \$613,240 effective January 1, 2026. In accordance with state statute, before December 31st of each year the board is required to review a measure of college tuition and fees calculated by the College Board (or other comparable source) and use that factor to adjust the maximum account contribution permitted for a single beneficiary in all Wisconsin 529 plans. The annual increase shall be equal to a percentage that is not less than the most recently published national average tuition and fees percentage increase at private, nonprofit four-year institutions. Kim Shaul moved to increase the maximum account balance to \$613,240 effective January 1, 2026. Susie Bauer seconded the motion. The motion carried.

b. Watchlist Policy Review

Steve Digirolamo began by stating that, per feedback received at the Board's September meeting, Wilshire prepared an update to the program's watchlist policy which is included as Appendix B in the program's Investment Policy Statement. Digirolamo noted that one suggested change to the policy is creating a separate category for passively managed funds vs. active. Another suggested change is moving the criteria for universe comparisons to the 50th percentile, instead of the 75th percentile. He also noted that policy would now include a footnote that explains the family of universes that are part of quantitative analysis and that the policy retains the Board's latitude on qualitative factors. Susie Bauer asked if the policy should have a timeline for the maximum amount of time a fund can stay on the watchlist. DiGirolamo replied that this was considered in a previous iteration of the policy, but it was decided not to include timelines in the watchlist policy.

Baumann welcomed a motion to accept the updated Watchlist Policy. Ryan McGuire motioned to accept updates to the Watchlist Policy. Kim Shaul seconded the motion. The motion carried.

c. Board Officer Elections

Bauman announced that board officer elections will be held as the first order of business at the March 2026 board meeting. Any board members interested in serving as either Chair or Vice Chair, please contact Jessica Wetzel. Board members may submit nominations prior to the meeting or may self-nominate during the meeting. Wetzel stated that roles and responsibilities for the seats were shared following the September meeting and will be shared again following today's meeting.

11) Announcements

- a. The next meeting of the Wisconsin CSP Board will be held virtually via Microsoft Teams on Thursday, March 19, 2026, at 9:00 a.m. CT.

2026 Board Meeting Schedule

- Thursday, March 19, 2026 – Virtual (9:00am - 12:00pm)
 - Wednesday, June 10, 2026 – In-Person (9:00am - 12:00pm)
 - Wednesday, September 16, 2026 – Virtual (9:00am - 12:00pm)
 - Wednesday, December 9, 2026 – Virtual (9:00am - 12:00pm)
- b. Action items summarized by Jessica Wetzel include sending out information items regarding Morningstar and the Board leadership roles and responsibilities. Susie Bauer inquired into the

tax-deductible amounts for contribution to a Wisconsin 529 plan for 2026. Wetzel shared that they have been increased to \$5,280 for single or married filing jointly, per beneficiary, and \$2,640 for married filing separately, per beneficiary. She also noted that the state employer tax credit increased to up to \$840 per employee.

12) Adjournment

Baumann thanked everyone for their work, wished everyone happy holidays, and welcomed a motion to adjourn the meeting at 11:36am. Susie Bauer motioned to adjourn the meeting. Eric Fulcomer seconded the motion. The motion carried.

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