

Meeting Minutes from the November 24, 2025 Connecticut Higher Education Trust (CHET) Advisory Committee Annual Meeting

Wednesday, November 24, 2025, 10 A.M.

Members Present

Erick Russell, State Treasurer and Trustee of CHET
Timothy D. Larson, Commissioner, Office of Higher Education
State Representative Maria Horn, House Co-Chair, Finance, Revenue and Bonding Committee
State Representative Jennifer Leeper, House Co-Chair, Education Committee
Kerry Kelley, Vice President of Finance and Administration, CFO, Connecticut State Community College
Patrick Torre, Associate Vice President for Finance, University of New Haven
Julie Savino, Executive Director, University Financial Assistance, Sacred Heart University
Holly Williams, Fiscal and Program Policy Section Director, Office of Policy and Management

Members Absent

State Senator Ryan Fazio, Ranking Member, Finance, Revenue and Bonding Committee
State Senator Douglas McCrory, Senate Co-Chair, Education Committee
Senator Eric C. Berthel, Ranking Member, Education Committee
State Senator John Fonfara, Senate Co-Chair, Finance, Revenue and Bonding Committee
State Representative Joe Polletta, Ranking Member, Finance, Revenue and Bonding
State Representative Lezlye Zupkus, Ranking Member, Education Committee
Steven McDowell Jr., Associate Vice President for Financial Aid Services and Title IX Services, Connecticut State Community College

Others Present

Anastasia Rotheroe, Principal Investment Officer Public Equities and Corporate Governance, Office of the Treasurer
Kevin Alvarez, Deputy Chief of Staff and Policy Director, Office of the Treasurer
Gabriela Koc, Engagement Manager, Office of the Treasurer
Kay Ceserani, Meketa Investment Group
William Duryea, Meketa Investment Group
Jared Newman, Fidelity Investments
Tony Durkin, Fidelity Investments
Ron Hazel, Senior Director, Retirement & College Savings – Advisor Plan, Fidelity Investments
Donna Susi, Fidelity Marketing Relationship Manager
Cait Dourney, Fidelity Investments
Daniel Terio, Fidelity Investments
Andrea Feirstein, AKF Consulting
Soohyang Lee, AKF Consulting

Call to Order

Treasurer Erick Russell called the meeting to order at 10:07am. He greeted the members virtually and welcomed them to the meeting. Treasurer Russell delivered welcoming remarks that highlighted the activity of the office in 2025, including the maintaining of CHET Direct's Silver

medal rating with Morningstar and significant fee reductions secured by the office. He also thanked legislative members of the committee for the passage of a new employer tax credit for contributions into CHET accounts which was passed in the 2025 session of the General Assembly.

Adoption of Minutes

Treasurer Russell made a request to entertain a motion to approve the minutes from the prior meeting on December 2, 2024. A motion was made by Rep. Horn to approve the minutes, seconded by Commissioner Larson. The minutes were adopted unanimously.

Presentation by Fidelity Investments, Meketa Consulting: Programmatic Update and Investment Performance Review

William Duryea provided an introduction and overview, followed by a market update that included an overview of current market trends and overall landscape.

The presentation was then turned over to Fidelity, where Cait Dourney provided an overview of their glide path, investment strategy, and recent performance. In particular, she noted certain changes to the glide path this year and how that was informed. Rep. Horn asked a clarifying question related to the draw down of accounts, which Ms. Dourney explained her comments were not suggesting an unusual draw down, but that they were able to put a finer point on the withdrawal activity, which helped inform an incremental change to the glidepath to ensure liquidity in the portfolio to allow for the withdrawals. They have more data from which to draw rather than an observed change in drawdown behavior. At the conclusion of Ms. Dourney's presentation, Rep. Horn asked if any changes had been made to their benchmarks since the last meeting, which Ms. Dourney answered the benchmarks should be consistent with the only change being the strategic asset allocation change for benchmark relative performance. That change began 10/1 so it would not impact the period of time presented during this meeting but it would be reflected in the future as they implement the strategic asset allocation change. Rep. Horn asked about the increased levels of uncertainty more broadly and asked if that is something they are seeing. Ms. Dourney agreed that they are seeing higher levels of uncertainty, and the political environment and changes to monetary and fiscal policy impact markets on an ongoing basis as they have seen, coupled with high valuations in the equities market relative to history, which adds to further uncertainty going forward. She discussed strategies Fidelity uses to mitigate the uncertainty, in particular diversification of portfolios as well as their ability to tap into their thousands of equity fixed income analysts around the world to communicate with companies regularly about trends in the market.

Jared Newman provided an overview of the programmatic side of CHET, reporting on constituent services, and programs including Baby Scholars and the Dream Big! Competition. He was asked by Rep. Horn how they evaluate market penetration, and responded that it has been a significant focus of the state to increase the number of residents who would benefit from 529 accounts accessing them. In particular, he noted a change to the Dream Big! Competition that focused on targeting Alliance Districts, as well as direct visits from the Treasurer to get the word out about the program. Ron Hazel then provided an overview of the CHET Advisor program.

Presentation by AKF Consulting: The 529 Market Landscape

Andrea Feirstein and Soohyang Lee, AKF Consulting, presented an overview of the 529 Savings Market, Trends and Developments, and commented on the 2025 Morningstar Ratings process. The Morningstar rating for CHET Direct was maintained at Silver, despite this year seeing a majority of ratings changes being downgrades. CHET Advisor retained its previous rating as well. They also discussed the change to Connecticut's tax code allowing for an employer tax credit for 529 contributions, bringing it in line with a handful of other states.

Adjournment

Treasurer Russell made a request to entertain a motion to adjourn the meeting. A motion was made by Rep. Horn to adjourn the meeting, seconded by Ms. Williams.

The meeting was adjourned at 11:22 AM.