

Washington Saves Governing Board Meeting Minutes



Tuesday, December 16, 2025

Virtual via Zoom

2:00pm

The regular meeting of the Washington Saves Governing Board was called to order at 2:01pm on Tuesday, December 16, 2025 by Chair Representative Abell.

Board Members Present:

- Representative Abell, Co-Chair
- Representative Reeves, Co-Chair
- Senator Harris
- Treasurer Pellicciotti
- Director Sacks
- Petros Koumantaros
- John Mangan
- Patrick Connor
- Michaela Corning
- Ryan Davis
- Marguerite Ro
- Karim Lessard
- Mark Mullet

Board Members Absent:

- Senator Valdez

Staff Present:

- Jonathan Herrera, Program Manager, Washington Saves
- Erin Beck, Washington Saves Staff
- Heidi Iyall, Washington Saves Staff
- Cal Barker, Washington Saves Staff

- Jesse Yoder, AAG
- Drew Bouton, Policy Director, DFI
- Faith Anderson, Acting Director of Securities, DFI
- Jill Vallely, DFI Staff
- Jesse Ferris, DFI Staff

Others Present:

- Anna Boris, Chief of Staff, Office of the Washington State Treasurer
- Matt Zuvich, Legislative Director, Office of the Washington State Treasurer
- Andy Nicholas, Senior Policy Advisor, L&I

Presenters:

- Andrea Feirstein, CEO and Managing Director, AKF Consulting
- Mark Chapleau, Senior Consultant, AKF Consulting

Open Session

Agenda Item 1: Approval of the Minutes of the October 21, 2025 Meeting of the Washington Saves Governing Board (Action Item)

Board Comment:

None

Public Comment:

None

Board Action:

Ms. Ro motioned to approve the minutes and was seconded by Mr. Mangan. The motion passed unanimously, 13 ayes and 0 nays.

Agenda Item 2: Contracting Question Follow-Up (Information Item)

Chair Abell gave a recap of the meeting convened with the Washington Saves Governing Board Co-Chairs, Mr. Connor, AAG Jesse Yoder, and Program Manager Jonathan Herrera to walk through the issue raised by Mr. Connor. It was reported that Mr. Connor would bring forward more comments before the next meeting. Mr. Connor was satisfied with the summary.

Board Discussion:

None

Public Comment:

None

Agenda Item 3: Program Manager's Report (Information Item)

Program Manager Jonathan Herrera provided a brief update on the scheduling of the next Governing Board meeting and the open Investment Consultant RFP. The next board meeting is scheduled to be in-person on February 10, 2026 at 2:00pm in the Rules Room within the Legislative Building in Olympia, WA. The Governing Board will not be meeting in January. He provided a timeline for the Investment Consultant RFP stating that the

proposals are due on January 11, 2026. He explained that staff will score the cost and non-cost factors, and then requested board members to volunteer to participate in evaluating the demonstration stage for the top two bidders on January 20-23. Mr. Koumantaros, Mr. Lessard, and Director Sacks volunteered.

Board Comment:

None

Public Comment:

None

Agenda Item 4: Assistant Attorney General Introduction (Information Item)

Mr. Herrera introduced Jesse Yoder who has been assigned as the AAG to the Washington Saves Governing Board and has been attending Governing Board meetings. Mr. Yoder explained that he sits within the Revenue and Finance Division of the Attorney General's Office and represents other finance-related commissions and boards.

Agenda Item 5: Fiduciary Training (Information Item)

Andrea Feirstein and Mark Chapleau from AKF Consulting, Washington Saves' contracted Program Consultant, were invited to fiduciary training to the Board. Ms. Feirstein introduced Mark Chapleau who has over two decades of experience in state-run investment programs, experience with SFRPs, and legal expertise. Ms. Feirstein began by framing the goal of the presentation as establishing a common understanding of fiduciary responsibilities and governance principles, including how federal securities laws may apply in the context of state-facilitated retirement programs (SFRPs).

Mr. Chapleau highlighted that Washington Saves Board members are fiduciaries with a duty to act in the best interest of the Savers. Core fiduciary principles such as loyalty, care, and obedience are grounded in common law and are reflected in the Washington statute. These duties put the program's interests ahead of personal interest, compel members to act in good faith to the best interest of the program, and require following governing documents and the program's mission while complying with the law. The presenters emphasized that these duties require good process and sound judgment but not perfection.

The presentation included an overview of relevant federal laws (including ERISA and the Investment Advisors Act of 1940) and how courts may look to those frameworks for best practices, even though Washington Saves operates outside of ERISA.

Finally, the presenters outlined how clear roles, documented procedures, and ongoing oversight of delegated responsibilities help mitigate fiduciary risk and maintain public trust. Board members were encouraged to prepare, participate actively, and seek expert input as needed.

Board Comment:

Board members asked questions both during and after the presentation. A member asked if any other SFRPs have faced claims of a fiduciary breach. Ms. Feirstein and Mr. Chapleau answered that to their knowledge that had not occurred. Another member asked how the Program Consultant is a fiduciary to the Governing Board if the contract is between the firm and DFI. The presenters answered that the Governing Board is the beneficiary of the contract signed with DFI and the firm's municipal advisory role runs to the Governing Board as a co-party to the contract. A member also requested a copy of the Fiduciary Training presentation deck for review and Mr. Herrera said it would be shared with the Board.

Public Comment:

None

Agenda Item 6: Stand-Alone vs. Partnership Discussion (Action Item)

Ms. Feirstein moved on to assist the Board with continuing the discussion on a key decision to either create a stand-alone program or join a multi-state partnership. She introduced Soohyang Lee as a contributing member of the AKF team who has 14 years of experience in the SFRP space. Ms. Feirstein outlined how she planned to give an overview of presentations from prior board meetings and explained how questions that had been raised throughout had shaped the presentation. She highlighted program structure and discussed how the ultimate decision depends on factors like goals, priorities, and constraints in terms of timing and costs. She showed how in the current market there are two existing partnerships with the remainder of states having stand-alone programs. She described some frequently identified goals in governance matters such as satisfying fiduciary duty in terms of ability to impact decisions, simplicity for participants, reasonable fees and start up costs, and an implementation timeline that would meet statutory directives.

Board Discussion:

Board members proposed many questions and comments. A member asked if Treasurer Pellicciotti had been consulted to outline Washington State's investment values or beliefs. That member also wanted to clarify that the decision made in this meeting was whether or not to pursue a multi-state partnership, but not deciding who to partner with. Treasurer Pellicciotti stated that these funds are viewed differently than the State investment funds and that prudent oversight and good management should be top of mind, while making sure that general views are shared of having accessible programs that multiple people can engage with. He recommended joining a partnership in order to save time and start-up costs. He stated trust in staff to present the Governing Board with the different options that are available. Another member stated that Washington has an advantage in starting the program later in terms of more options and competitive rates. That member also expressed concerns with financial prudence of starting a stand-alone program.

When a member asked about the risks or downsides of a partnership, Ms. Feirstein answered that the Governing Board would need to be comfortable with the decision-

making of the partnership and that certain factors and concerns could be outlined in an RFI. She explained how ABLÉ partnerships are examples of existing successful partnerships nationwide.

Another member iterated that there could be advantages to a stand-alone program such as control over communications and marketing. Mr. Herrera answered that Washington would maintain control over communications and marketing regardless of a stand-alone program or joining a partnership. He stated that there would be a cohesive brand approach to creating the program's documents and that a partnership could actually free up time for staff to focus on communication and marketing.

A member asked about the different partnership options – joining an existing partnership or creating a new partnership – and the pros and cons of both paths. Ms. Feirstein stated that Washington could potentially have a larger hand with program framework if creating a new partnership. There could be some options of currently stand-alone states that may be interested. This option could potentially take more time and start-up costs than joining an existing partnership. Another member, agreeing that there are advantages in cost and ease of application to joining a partnership - voiced that Washington Saves should decide on a criteria and then decide if the program is comfortable with doing business with the potential partners that arise. Another member stated that the process would be a two-way street – Washington Saves would put out an RFI and interested parties would respond.

When Co-Chair Abell asked the Governing Board if anyone felt strongly about creating a stand-alone partnership no one replied. He then gave space in the discussion for public comment.

Public Comment:

None

Board Discussion (continued):

A member stated that Washington has a large number of potential Savers to offer to a partnership and requested that there would be Governing Board involvement with the RFI/RFP process. This member also asked how much savings would be achieved with joining a partnership and if price point or projected future pricing could be part of the scoring factors of an RFI. Mr. Herrera answered that fee structures from other states are available and would be a factor in the decision, but we would have to see what is being offered at the time. Ms. Feirstein explained that every state, with the exception of New Jersey, has a hybrid-based fee structure with dollar-based fees and asset-based fees. Over time, program administrators are understanding better about how to set pricing. She explained that smaller states have gotten a more attractive fee structure with a partnership. States also have the option to waive its dollar-based fee for an amount of time. A member asked if the fees are more closely related to the program administrator as opposed to the state fees. Ms. Feirstein answered that there has been a change in pricing over time and that it is increasing.

Board Action:

Mr. Mullet motioned to authorize staff to pursue a partnership and present options.

Mr. Connor seconded.

The motion carried with 12 yays and 1 nay.

Yays: Abell, Reeves, Harris, Pellicciotti, Sacks, Mangan, Connor, Corning, Davis, Ro,
Lessard, Mullet

Nays: Koumantaros

Agenda Item 8: Public Comment

None

Adjournment:

The meeting was adjourned at 3:47pm by Representative Abell. The next general meeting will be in-person at 2:00pm on Tuesday, February 10 in the Rules Room within the Legislative Building on the Capitol Campus in Olympia, WA.

Minutes submitted by: Erin Beck, Washington Saves Staff