

ILLINOIS SECURE CHOICE SAVINGS BOARD

**Meeting of Thursday, August 14, 2025
Held In-Person & Remotely by Videoconference**

MEETING MINUTES

The August 14, 2025 meeting of the Illinois Secure Choice Savings Board (“Board”) was called to order by Mr. Diaz shortly after 3:00 p.m. CT with the presence of a quorum.

BOARD MEMBERS PRESENT

Fernando Diaz, *Designee for the Illinois State Treasurer* (In-person)

Cesar Orozco, *Designee for the Illinois State Comptroller* (In-person)

Roderick Bashir, *Board Member* (In-person)

Erica Marquez Avitia, *Board Member* (In-person)

Staci Mayall, *Board Member* (In-person)

Lotika Pai, *Board Member* (In-person)

TREASURER’S OFFICE STAFF

Erica Tremble, *Assistant General Counsel* (In-person)

Chris Flynn, *Deputy General Counsel and Chief Procurement Officer*

Ismael Vega, *Director, Public Market Investments* (In-person)

David Elliott, *Senior Investment Analyst, Public Market Investments* (In-person)

Sara Meek, *Chief Legislative and Policy Officer*

Yolonda Williams, *Deputy Director of Legislative Affairs*

Matt Kisling, *Deputy Director of Legislative Affairs and Outreach*

Austin Stadelman, *Policy Advisor, Legislative and Policy*

Christine Cheng, *Executive Director of Secure Choice* (In-person)

Deanna Verduin, *Deputy Director of Secure Choice*

Jaimee Niles, *Manager of Secure Choice*

APPROVAL OF BOARD MEETING MINUTES

Board members reviewed the May 21, 2025 Board Meeting Minutes, which were provided in advance of the meeting. There was no discussion, and no additional changes were proposed.

A motion was made by Mr. Bashir, seconded by Ms. Marquez Avitia to approve the May 21, 2025 Board Meeting Minutes. The motion carried unanimously via roll call.

STAFF UPDATES

Ms. Cheng provided Q2 2025 program updates stating that the Treasurer's Office continued to work with employers that previously utilized the old Intuit QuickBooks integration and are now either utilizing the new integration through the payroll aggregator or are facilitating manually. Additionally, staff analyzed the tax year 2024 annual data file from the Illinois Department of Revenue and passed instructions to Ascensus about new employers and employers requiring changes. Through this analysis, Wave 2025 has been determined to be larger than Wave 2024 with over 11,000 employers versus 8,600 employers in Wave 2024. Ms. Cheng also noted that the Illinois Secure Choice team initiated discussions with The People Lab from the Harvard Kennedy School, an entity that focuses on improving the effectiveness of government communications. The meeting focused on how to collaborate to improve the employer action rate for pre-enforcement communications to noncompliant employers, though the principles that prove to be effective may be applied across other employer communications. She also reported that the Treasurer's Office participated in an in-person bilingual event with AARP and the Little Village Chamber of Commerce in late Q2. Ms. Cheng then provided an update on enforcement stating that IDOR issued Notices of Proposed Assessment to a second batch of employers in June. To date, batch one has a resolution rate of approximately 70%, and batch two has a resolution rate of approximately 36%.

Next, Ms. Meek provided a legislative update regarding the Secure Choice legislation, SB 1441, which provides explicit language that participants may have both a Roth IRA and a Traditional IRA for the federal Saver's Match. The initiative also updates the Board duties to specify that the Board can assess the feasibility of agreements with other governmental agencies, including other states, to achieve greater economies of scale and enhance program quality and can enter into these agreements if determined beneficial. It also specifies that penalties can be assessed if employers

do not remit contributions for participating employees, and that employers are not required to enroll employees until they have been employed with them for 120 days. The legislation passed the General Assembly and was signed by the Governor on August 1, 2025, making it Public Act 104-0100. She added that administrative rules are currently being updated to reflect these changes, and a draft will be sent to the Joint Committee for Administrative Rules (JCAR) within a few weeks. The legislative team will provide updates regarding the process at the next Board meeting.

Ms. Cheng added that Secure Choice continues to build towards the Saver's Match being implemented on the federal level and will determine how to create awareness for savers on how their Secure Choice contributions may qualify them for the federal Saver's Match. She then reviewed FY25 year-to-date expenditures for the program, sharing that they are in line with expectations.

DISCUSSION – SECURE CHOICE QUARTERLY REPORT

Troy Montigney of Ascensus started by sharing a product and technology roadmap update. Ascensus is currently working to incorporate FTP connections into the payroll provider experience before deploying the second phase of Payroll Integrations, where additional payroll providers are added to the aggregator platform. Additionally, on July 25, 2025, a feature was added to the employer portal allowing an employer to download contribution history with employee-level detail that allows for reconciliation. In the fall of 2025, savers will also be able to download their own contribution history. Mr. Montigney added that Ascensus is continuing to send automated roster maintenance emails to remind employers to upload eligible employees. He then provided a final product update stating that delegates, meaning individuals designated by an employer as an additional contact to help facilitate Illinois Secure Choice, now receive all systematic communications sent to the main employer contact, including roster maintenance emails. Mr. Diaz then asked about the activity generated by the roster maintenance emails, and Mr. Montigney stated that initially there was an 18% increase in employers adding employees each week; however, that timing also overlapped with enforcement outreach. He did note that there is historically a bit of a lull in the summertime and yet the program continues to see increases week over week. Finally, he noted that there are other initiatives in the works for 2026 including an A.I. chatbot, enhancing financial education for savers, updating the employer portal to help manually-facilitating employers with payroll remittance, and implementing a new compliance and fraud solution to enhance the Customer Identification (CID) process.

Mr. Montigney then provided an update on employer enforcement stating that 2,050 employers have been placed in enforcement, and enforcement activity to date has resulted in 891 employers submitting payroll with more than \$10.2 million in total payroll contributions. He then reviewed the Saver Data Summary noting that program assets are currently around \$275M with over \$300M

in total contributions. Additionally, over 25% of the saver population is now web registered which allows those savers to access their accounts online and avoid paper-delivery fees. Mr. Bashir asked how Ascensus plans to increase the number of web-registered accounts, and Mr. Montigney stated that Ms. Bickerstaff would answer that question in her presentation.

Carrie Bickerstaff of Ascensus provided an update on 2025 marketing activities including a saver communication to be sent in the fall that encourages participants with an email address on file to update their preferences to e-delivery and avoid paper-delivery fees. Mr. Montigney then noted that many of the automated communications that have historically been system generated are being transitioned to Salesforce Marketing Cloud which will allow Ascensus to send more targeted communications in a quicker, more efficient way. Ms. Bickerstaff then reviewed employer-focused communications including the roster maintenance email that was discussed earlier. She also noted that communications are being reviewed for effectiveness and to apply principles learned from The People Lab. Ms. Cheng provided background by noting that The People Lab spoke at a conference attended by the Treasurer's Office and Ascensus, and that they shared their findings on how to improve action rates from government-issued communications. As mentioned earlier, the Treasurer's Office is engaging with The People Lab on pre-enforcement communications. Mr. Montigney added that the Ascensus user experience team has also been in communication with The People Lab regarding the employer portal. Ms. Bickerstaff then noted that the very first employer newsletter was sent in Q2 with an open rate of 62%. Mr. Montigney then provided an update on Wave 2025 communications stating that the email address used to send those emails is now a .gov email address in hopes of increasing response rates. Ms. Bickerstaff noted that the open rate for the 100-day email was 62% and the click rate was 23%. She also provided the schedule for the remaining Wave 2025 communications.

Martha Nemecek of Ascensus provided a Q2 Field Team update stating that the Field Team conducted 62 one-on-one employer meetings bringing the year-to-date total to 192 meetings which is a 42% increase from 2024. She then provided metrics for the Webinar Support Program, which comprises four offerings (an employer overview, two employer how-to sessions, and a saver webinar). For Q2, only the saver webinar was offered as a live webinar with 9 participants attending 3 webinars. She noted that activity peaked for both live and recorded webinars in 2023 due to the size of Wave 5 and added that views of the recorded webinars are expected to exceed 2024's total due to the increase in the enforcement population. In general, recorded webinar views are outpacing attendance at live webinars. Ms. Nemecek then reviewed the 2025 priorities for the Field Team which include providing onboarding support to newly registered employers, assisting enforcement employers, and supporting employers utilizing Payroll Integrations.

Finally, Mr. Montigney presented Q2 Client Services metrics stating that call volumes decreased slightly from Q1. Service Level Agreements were met with an average speed to answer of 1

minute, 25 seconds. Related to the call back feature, he noted that the average call back time for Q2 was 11 minutes, 26 seconds and the median call back time was 3 minutes, 44 seconds.

Eric Gaylord of Marquette Associates then provided a 2025 Q2 market update, initially noting that the quarter ended very differently than how it started with positive returns across all markets. Inflation continued to stay above the 2% target. The unemployment rate has remained low, but new job additions have been slower than previously indicated. Additionally, the “One Big Beautiful Bill” was passed, but the markets anticipated the corporate tax cut extensions, so there was not a large bump in stocks after the passage of the bill. However, there was volatility in the U.S. Treasury market. Fixed income performance was largely positive in Q2 except that the Bloomberg Long Government index was negative for the quarter which was reflective of the risks to the U.S. fiscal situation over the longer term. U.S. equity performance had a substantial recovery in Q2 with growth stocks outperforming value stocks. The Magnificent 7 continued to drive most of the earnings growth for the S&P 500. Non-U.S. equities were positive across the board in Q2.

Mr. Vega then reviewed program performance noting that Q2 was a rebounding quarter from the volatility of Q1. The Target Date Funds, particularly the later dated funds, proved to be an efficient investment with their diversification. He added that the Treasurer’s Office, Ascensus, and Marquette Associates conducted an evaluation of the BlackRock Target Date funds, including returns, pricing, and methodology, and concluded that these funds are still appropriate for the program.

APPROVAL OF LEGAL SERVICES RFP

Ms. Tremble stated that Secure Choice currently utilizes external counsel which was originally procured ten years ago by California, and that the Treasurer’s Office entered into a Memorandum of Understanding with California and Oregon for shared services. She stated that the shared services are no longer needed, and the current agreement ends in June 2026. Mr. Diaz added that there is a need to go to RFP and to allow time for the process to take place. Ms. Marquez Avitia asked if there is a financial benefit to continue to share services, and Ms. Tremble stated that the Treasurer’s Office utilizes outside counsel for issues specific to Illinois, therefore, there is no longer a benefit in sharing the services.

A motion was made by Mr. Bashir, seconded by Mr. Orozco to approve the Legal Services RFP. The motion carried unanimously via roll call vote.

PUBLIC COMMENT

There was no public comment.

OLD AND NEW BUSINESS

Mr. Diaz noted that a special board meeting will be held in the next four to six weeks to discuss the Program Administrator RFP. Additionally, the next quarterly Board meeting will be held on November 20, 2025.

ADJOURNMENT

With no further business, Mr. Diaz adjourned the meeting.