**MINUTES OF THE MEETING**

**Arkansas Section 529 Plan Review Committee**

Tuesday, March 17, 2020 at 10:30am

Victory Building Conference Room, Suite 275, Little Rock, AR 72201

A meeting of the Arkansas Section 529 Plan Review Committee (“Committee”) was held on Tuesday, March 17, 2020 at 10:30am in the Victory Building Conference Room, Suite 275. Present at the meeting were Treasurer of State Dennis Milligan; Clint Rhoden, Director of the Arkansas Teacher Retirement System; Dr. Maria Markham, Director of the Arkansas Department of Higher Education; Grant Wallace, Chief Deputy Treasurer; Thomas Burchfield, Deputy Director of 529 Programs and Financial Education; Chris Scott, AR 529 Assistant; Stacy Peterson, Communications Director for the State Treasurer’s office; Dave Ponder with Ascensus College Savings; John Peace with Dover Dixon Horne; John Park with BlackRock; Mary Ryan with Vanguard

Treasurer Milligan called the meeting to order at 10:30 am. He asked for a motion to approve the minutes of the November 5th, 2019 meeting. Maria Markham moved to approve, Clint Rhoden seconded the motion, and the minutes were approved.

Grant Wallace presented checks and invoices paid during first quarter of fiscal year 2020 and pending invoices for approval. Clint Rhoden moved to approve, Maria Markham seconded the motion, and the checks and invoices were approved.

John Peace with Dover Dixon Horne reported on the budget. He stated that the income was ahead of budget, and expenses exceeded the income by $140,000. John concluded by saying that the ending balance at Southern Bancorp was $27,930 and the ending balance at First Security was $92,473.

John Park reported on the iShares Plan, stating that since the beginning of the year, assets had grown in Arkansas by $43 million; and that a 14% increase in firms offering the plan takes the total number to 54 with 314 financial advisors, and a 25% increase in accounts totaling 2,667. John stated that the account owners continue to save for the future.

Mary Ryan with Vanguard gave a report on portfolio performance to the Committee. She reported that the one-year return on the ‘Aggressive Growth Portfolio’ was at 26.5%, the moderate was at 17.14%, and the conservative at 12.56%. She stated that these numbers were slightly lower than the last quarterly report in part due to the markets going with a ‘correction’ after having steadily climbed for so long and will correct again with the beginning of another climb. Mary continued by stating that during these times, Vanguard was constantly modifying the portfolio structure to the best performance for the account owner.

A report from Ascensus College Savings, presented by Dave Ponder, detailed assets, contributions, withdrawals, funded accounts, average funded account size, iShares 529 assets, U-gift and U-promise. Dave stated that as of March 13, the total GIFT assets under management were nearly $425,000,000. He stated that the iShares plan was doing great as well. The presentation also reflected $10.2 million in year-to-date contributions, over 30,000 funded accounts, with an average account size of $14,107. Dave also reported on the iShares Plan, stating that there was over $492,454,000 in assets, 13,645 funded accounts, and an average account size of $36,090.

Stacy Peterson gave a marketing report. She explained that digital marketing targets the biggest portion of the Arkansas 529 account holders, which tends to be grandparents. Stacy continued saying that her marketing team was able to track 170 of the new accounts as a direct result of the digital marketing. The report stated that email marketing was being sent to current account owners. A total of 40,000 emails were sent out over 10 campaigns encouraging contributions and Ugift contributions. The emails had a 37% open rate, and Stacy advised that new campaigns were being developed, including an incentivized enrollment campaign. Stacy stated that social media targeted a different demographic, parents of children, and targeted a total of 900,000 since December. The team was able to track that effort to 38 new accounts and track 257 contributions to existing accounts. Stacy summarized the report by concluding that they were targeting new account owners with digital and email marketing efforts and current account owners with social media.

The date for the 2nd Quarter meeting of 2020 will be determined later.

There being no further business, Treasurer Milligan moved to adjourn the meeting and the meeting adjourned at 10:46 am.

Respectfully submitted,

Chris Scott, Administrative Assistant 529 Programs and Financial Education