**MINUTES OF THE MEETING**

**Achieving a Better Life Experience Program Committee**

Wednesday, May 9, 2018 at 1:00 pm

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

A meeting of the Arkansas Achieving a Better Life Experience Program Committee (“Committee”) was held on Wednesday, May 9, 2018 at 1:00 pm in the Victory Building Conference Room, Suite 275. Present at the meeting were Grant Wallace with the Treasurer’s Office (Designee for Treasurer of State); Director of 529 Programs and Financial Education Emma Willis; 529 Programs and Financial Education Administrative Assistant Chris Scott; Dave Mills Department of Human Services Program Administrator (Designee for Director of Human Services); Joseph Baxter Deputy Commissioner Arkansas Rehabilitation Services (Designee for the Commissioner of Arkansas Rehabilitation Services Department of Career Education), and TJ Lawhon with Dover Dixon Horne.

The press was notified in compliance with the Freedom of Information Act.

Grant Wallace called the meeting to order at 1:01 pm.

Grant and asked for a motion to approve the minutes of the October 19th, 2017 meeting. Dave Mills moved to approve the minutes. Joseph Baxter seconded the motion, and the motion carried.

Grant and asked for a motion to approve the minutes of the April 2nd, 2018 meeting. Joseph Baxter moved to approve the minutes. Dave Mills seconded the motion, and the motion carried.

Grant Wallace introduced TJ Lawhon to the committee as the chosen legal counsel for the Arkansas Achieving a Better Life Experience Program Committee and prompted TJ to introduce himself as well. TJ then introduced himself to the committee, stated that he was honored to be aboard, and provided information on his education and legal experience.

Emma Willis prefaced the “Sumday” presentation by BNY Mellon, stating that this was an opportunity for BNY Mellon to present their fee reductions to the committee. Grant stated that after BNY’s initial response to the request for proposal, they had follow up conversations with Emma regarding a revised fee structure. Grant continued that given said conversations, he felt it would be in the best interest of the committee to allow them to present again with the reduced fee structure, allowing the committee to be fully informed before making a final decision for the program manager.

Joseph Baxter asked that with that being said, it appeared that the committee was opening up the conversation on program manager for further discussion. Grant confirmed that was correct.

Maurice Campbell, James Magnolia, and Douglas James from BNY Mellon made a presentation on their “Sumday” ABLE program. BNY Mellon’s presentation highlighted background information on the firm (including their vision and mission), platform Overview and core requirements, compliance, audit, risk, and legal, a summary scope of services (including customer service, distributions, reporting, system safeguards, security, incident response and firewall applications), their web-based platform, revised fee structures, and collaboration investments. BNY Mellon also summarized the program organization structure, an onboarding schedule, and disclosures. As part of the presentation, BNY Mellon showed the committee how an account owner would enroll online through the web based platform, as well as tour of Maryland’s ABLE website.

Joseph Baxter asked BNY Mellon if the call center employees who would be taking calls from account owners, or those enrolling, had any formal training on working with members of the disability community. BNY Mellon answered stating that the call center employees were ‘seasoned’ representatives and were also put through extensive ‘sensitivity’ or ‘awareness’ training specifically for this program.

TJ Lawhon asked a follow up question to Joseph Baxter’s, as to the extent of the customer service, if any questions could be referred back to the state to answer. BNY Mellon stated that while most of the questions could be answered within their in-house customer service team, and could be escalated to the supervisor or administrative team. With questions specific to state-level legislation, BNY Mellon advised that those questions could be referred back to the state, but the majority of the questions thus far have been successfully handled within BNY Mellon’s customer service team.

When TJ asked how many websites like Maryland’s they had put together, BNY Mellon’s team advised that the website is actually one platform that gets modified according to the state’s particular requirements. Dave Mills asked if there would be an option to enroll offline. BNY Mellon answered that there would be paper enrollment forms as well.

BNY Mellon concluded their presentation with details on their optional pre-loaded ABLE card that the individual could use to easily pay for qualified expenses.

Joseph Baxter asked BNY Mellon to summarize how this presentation was different from their initial presentation. BNY answered that they added various functionality to the platform and how successful the investment options had been accepted into the marketplace, and stated that the fees “really haven’t changed at all” but that they are paying out at a higher rate on the cash position. Joseph then followed up with another question, why the plan should now be more attractive to Arkansas. BNY Mellon responded that they had learned a couple of lessons, and that the only out of pocket expenses for Arkansas, should they choose not to partake in the pre-paid card, would only be the cost of the photographs for the website.

TJ Lawhon asked BNY Mellon how many states were utilizing the management fee for the state side. BNY Mellon advised that every state has some portion going to the state. They continued saying that as the uptake is slow, so the amount of revenue is fairly small. BNY Mellon said that all of the states are using a fee schedule, and each state could opt in and out at their discretion, as well as change the amount. TJ Lawhon said that the management fees appeared to be fixed, with no indication of a step down rate after certain milestones were met. BNY Mellon advised that was correct. Emma Willis asked if that was negotiable and BNY Mellon responded that the asset level would not reach that mark in the foreseeable future.

Emma Willis stated that BNY Mellon’s presentation raised some valid questions to ask the Interstate Alliance and it was determined that another meeting would be necessary before making a final decision on program manager.

There being no further business, Emma Willis moved to adjourn the meeting and the meeting adjourned at 2:20pm.

Respectfully submitted,

Emma Willis, Director of 529 Programs and Financial Education