

**MINUTES OF THE  
OREGON 529 COLLEGE SAVINGS BOARD  
MEETING OF May 19, 2016**

Members Present: Peter Angstadt  
Darren Bond  
Torre Chisholm  
Jennifer Cooperman  
Brent Wilder

Network Staff: David Bell, Outreach Director  
David Elott, Legal Counsel  
Lynn Nagasako, Legal Counsel  
Michael Parker, Executive Director  
Stephanie Swetland, Plan Specialist

Treasury Staff: Paola Nealon, Investment Officer  
Jennifer Peet, Legal Counsel  
James Sinks, Communications Director

Others Present: Tim Findlay, TGF Productions, Inc.  
Kathy Griffin, TIAA  
Ryan Harvey, Sellwood Consulting  
Anthony Poto, MFS Investment Management  
Mike Keenan, MFS Investment Management  
Kevin Raymond, Sellwood Consulting  
Jeremy Thiessen, TIAA  
Doug Zanger, TGF Productions, Inc.

The meeting was called to order at 1:04 p.m. by Chair Jennifer Cooperman.

Board Member Peter Angstadt moved to approve the February 18, 2016 minutes, seconded by Board Member Brent Wilder. All approved.

Executive Director Michael Parker introduced the Board's new Board Member, Torre Chisholm, who is the Chief Development Officer for Special Olympics Oregon.

Mr. Parker informed the Board that an additional organization is being vetted for program management and recordkeeping for the ABLE program, as well as working to see if TIAA can find an ABLE recordkeeper. The Network is still on track to launch the ABLE plan in the first quarter of 2017.

David Bell of the 529 Network updated the Board regarding the Be College Ready program. Oregon College Savings Plan (OCSP) accounts increased by between 5.3% and 88% in the program's five pilot school districts. A total of 17 school districts will be participating in the Be College Ready program during school year 2016-17. A new kindergarten program has been added, which provides \$25 to fund an OCSP account for all kindergarteners in the participating districts whose parents apply for it. Additionally, there will be a \$529 OCSP account winner in each participating elementary school.

Mr. Bell explained what to expect regarding Oregon's ABLE program. There will be two different plans – one specifically for Oregonians, and a national option for the residents of the many states that won't be offering an ABLE plan. The plans will be the same, but the national plan won't qualify for the Oregon state tax deduction and will be marketed differently. Mr. Bell noted that the ABLE plan, although similar to a 529 savings plan, is actually very different because of the needs of the disabled community.

The first action item involved changes to the administrative rules for the Network. Mr. Parker explained that changes were made to include rules for the ABLE plan. A copy of the redlined version of the rules is part of the Network's records for this Board meeting. Mr. Parker explained each redlined change to the Board. Board member Darren Bond moved to approve the revised rules, seconded by Member Angstadt. All approved.

The second action item regarded an amendment to the contract with Sellwood Consulting LLC. Mr. Parker explained that Sellwood has agreed to provide the Network with consulting services for the ABLE plan. The fee will increase by approximately \$45,000 the first year, with cost of living increases for each additional year of the contract. Member Bond moved to accept the contract changes identified by staff, seconded by Member Brent Wilder.

Anthony Poto of MFS presented the marketing portion of the MFS first quarter report, a copy of which is part of the Network's records for this meeting. Mr. Poto explained that the MFS brand is very important in regards to the MFS 529 plan. If a firm or advisor is comfortable with MFS, they will use MFS products, including the 529 plan. For eight straight years, MFS has been recognized by Barron's as a top 10 or better firm for all time periods, the most of any firm, which speaks to its consistency as a manager. Mr. Poto highlighted 529 marketing efforts geared to financial advisors, including marketing pieces, webcasts, and educational pieces disseminated through social media. Firm specific outreach is also being done with partnering firms UBS, Merrill Lynch, Northwestern Mutual, Raymond James, and Edward Jones, among others.

Tim Findlay of TGF Productions and Kathy Griffin of TIAA presented the marketing portion of the TIAA first quarter report, a copy of which is part of the Network's records for this meeting. An overview of the various marketing campaigns throughout the year were highlighted, including the Baby Grad promotion, college funding seminars, tax time TV commercials, and targeted marketing through email and direct mail communications. Partnerships with the Oregon Zoo, the state's public libraries and other community partnerships were discussed. Digital marketing efforts and results were explained, as well as the importance of keeping in touch with current account owners. Social media, paid media and earned media efforts were described, and lead harvesting from those efforts was explained. The multi-faceted approach helps to keep the OCSP in front of the public on a regular basis, reminding and encouraging people to open accounts.

Ryan Harvey of Sellwood Consulting presented the performance update for the first quarter of 2016. Copies of the Sellwood reports are a part of the Network's records for this meeting. Mr. Harvey stated that there was a lot of dispersion in the equities markets around the world during the first quarter which affected performance. All bond categories performed very well during the quarter. Mr. Harvey provided a high level overview of the cash flows, asset allocations and performance of the OCSP. It was a very good quarter for the glide path, with all funds showing positive returns and slight outperformance, as well as being ranked in the top third of their peer group. Performance of the other funds in the plan was as expected. Mr. Harvey also gave a high level overview of the MFS 529 Savings Plan, noting that it was a good quarter for the glide path in that plan as well, with slight outperformance against the benchmark and very good peer rankings. Performance of the other funds was as expected.

Mr. Poto of MFS presented some highlights from the MFS quarterly report. Accounts had grown by 955 in the quarter with approximately half of them being Oregon accounts, and Oregon county assets had increased by 3.3% overall. Contributions, distributions and rollovers in the plan were reviewed, as was information on sales and assets.

Ms. Griffin of TIAA presented highlights from the TIAA quarterly report. She informed the Board that TIAA-CREF underwent a brand update and is now simply TIAA. She highlighted total assets and total accounts, noting that 3,288 new accounts were opened during the first quarter, with \$56 million in contributions during that time. Online enrollment was at 81% and eDelivery had reached 52%.

The meeting was adjourned at 3:30 p.m.