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Oregon College Savings Plan embarking on new era to make saving for college easier for all Oregonians

New partnership will mean better customer service, investment options and technology

SALEM – After a record-setting year, the Oregon College Savings Plan is building on its successes to make sure that all Oregonians are empowered to save for their higher education goals.

Oregon families can look forward to an array of changes in 2018 that will make it even easier and cheaper to save.

Among the advancements: A completely redesigned and mobile friendly website; an enhanced gift-giving interface; a variety of new, low-cost investment funds; a new set of target-date-funds; and enhanced outreach to promote saving in underserved communities statewide.

“The Oregon College Savings Plan helps Oregonians to invest in themselves and a brighter future for their families, and we are thrilled to announce these advancements that will enhance saving options, and make it easier to save,” said State Treasurer Tobias Read, who chairs the Oregon 529 Savings Board.

The Oregon 529 Savings Board put several of the changes in motion on Jan. 24, when it unanimously voted to enter into negotiations with a new financial partner to administer the Oregon College Savings Plan. Sunday Administration, LLC, a division of BNY Mellon, was selected following a competitive bid process that allowed the Board to survey competitors in today’s marketplace. Sunday will replace current partner TIAA.

The shift to the new administrator will be seamless and will occur by the end of the year. Because most of the work will be done behind the scenes, everything will be business as usual for the plan. People who are saving for education through the Oregon College Savings Plan will maintain full access to accounts, and will be able to make deposits and withdrawals as they have in the past. New accounts can be opened anytime.

Account owners don’t need to do anything at this time and will be given plenty of notice before the website enhancements go live.

Some of the other coming changes to the Oregon College Savings Plan, such as making it easier to open accounts and focusing additional attention on underserved communities in urban and rural areas, are priorities for the Treasurer and will be introduced over the course of the year. Already announced is the new statewide Baby Grad program that provides \$25 to all Oregon babies' accounts before their first birthday.

The new platform with Sumday will include a custom target-date fund option that will allow savers to tailor investments and risk exposure based on the year the beneficiary is expected to enter higher education or job training programs. That's an improvement from an age-based option in the current plan – and responds to the reality that not everybody goes directly to higher education after high school at age 18.

“In higher education, we're seeing more adult learners and those who are returning after a break from their education,” said Board Member Brent Wilder. “Having the flexibility of an enrollment-date portfolio will make it easier for them to invest to meet their goals.”

The Oregon College Savings Plan set a record last year for new contributions, bringing in more than \$215 million. New account openings and withdrawals for college expenses were up, as well. The plan has nearly 100,000 accounts totaling more than \$1.7 billion.

Sumday is not new to the state of Oregon. For the past year, the company has worked with the Board to develop and launch the Oregon ABLE Savings Plan, which provides Oregonians with disabilities a way to save without jeopardizing vital state and federal benefits.

The Oregon College Savings Plan is the state's direct-to-the-public option for tax-advantaged higher education saving. Savers can get a tax deduction for contributions, and all earnings can be used tax-free if they are spent on qualified education expenses.

The Oregon Savings Network, part of the Oregon State Treasury, was launched in Jan. 2001 to administer 529 college savings plans. It has since expanded to administer the Oregon ABLE Savings Plan and national ABLE for ALL Savings Plan, and the first state-run retirement program, OregonSaves.

To learn more and to open an account, please visit www.oregoncollegesavings.com

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