

**MINUTES OF THE
OREGON 529 SAVINGS BOARD
MEETING OF November 16, 2017**

Members Present: Jennifer Cooperman, Chair
Melissa Ceron
Sydney Shook
Brent Wilder

Network Staff: David Bell, Managing Director
David Elott, Legal Counsel
Kaellen Hessel, Communications Coordinator
Michael Parker, Executive Director
Missy Simpson, Executive Assistant (?)
Stephanie Swetland, Plan Specialist
John Valley, Outreach Director

Treasury Staff: Kim Olson, Senior Policy Advisor
Jennifer Peet, Legal Counsel
James Sinks, Communications Director

Others Present: Kerry Alexander, TIAA
Ali Battaglia, eROI
Tim Findlay, TGF Productions, Inc.
Ryan Fitzgerald, Sellwood Consulting
Kathy Griffin, TIAA
Ryan Harvey, Sellwood Consulting
Douglas Magnolia, BNY Mellon
Matt Lonzak, eROI
Anthony Poto, MFS
Kevin Raymond, Sellwood Consulting
Cara Unger, eROI

The meeting was called to order at 1:04 p.m. by Chair Jennifer Cooperman. Ms. Cooperman announced that she had recently been promoted to Chief Financial Officer for the City of Portland. Since this new position will require more of her time and energy, she has decided to step off of the Board, and this Board meeting will be her last.

Board Member Brent Wilder moved to approve the September 21, 2017 minutes, seconded by Board Member Sydney Shook. All approved.

Executive Director Michael Parker stated that Treasurer Read has restructured some of the organization at Treasury, and the Oregon Retirement Savings Plan (Oregon Saves) has come under Mr. Parker's purview and is now part of the Network. Mr. Parker will be transitioning some of the major Board duties to David Bell, and David will be interacting with the Board going forward in the future.

Mr. Parker informed the Board that the 15-year contract with MFS had run, so it has been modified and updated. The contract will be for five years, with unlimited re-ups every five years after that. The main change is that if the contract is terminated, current account owners won't be grandfathered into the MFS plan unless they inform MFS that they want to stay in it. Otherwise, they will be moved to the new provider.

Ms. Shook moved to approve the amended MFS contract for a five-year term, seconded by Board Member Melissa Ceron. All approved.

Network Managing Director David Bell explained proposed amendments to the contract with Sellwood Consulting (Sellwood). Sellwood will be doing more reporting for the Board going forward. This includes all reporting for the Network's ABLE and college savings plans, as well as reporting regarding Oregon's ABLE partner states. The fee structure in the contract has been increased to reflect the additional work Sellwood will be doing. Lastly, Sellwood may occasionally need to incur additional costs to do the reporting requested of them, and staff is asking that the Board delegate authority to Mr. Parker or Mr. Bell to approve those costs.

The Board discussed with staff the delegation of authority for additional costs that Sellwood might incur. It was determined that it would probably be better to wait until staff had a better idea of what those costs would be and what the threshold would be for them. The contract currently states that such expenses are a Board decision, and whether or not to delegate it to staff will be reconsidered at the next meeting.

Mr. Wilder moved to approve the Sellwood contract as amended and presented, seconded by Ms. Shook. All approved.

Mr. Bell presented the Strategic Plan summary, a copy of which is part of the Network's record for this Board meeting. The summary was created from the results of the strategic planning session that was held during the September Board meeting. Mr. Bell explained how the summary will be built out going forward, based on input from the Board. Mr. Parker stated that generating revenue is a key concern for the Network in building long-term financial stability for both operations and expansion. He would like to survey the marketplace to discover if a more cost effective recordkeeping model is available that will allow the Network to benefit more from its assets, since the current scenario will restrict the Network's ability to achieve the Board's goals. The desire is for the State to get more of the Oregon College Savings Plan growth as assets grow, while at the same time reducing fees to plan participants. The Board was in agreement that surveying the marketplace is a good idea at this time.

Ryan Harvey of Sellwood presented an overview of the Expanded Reporting Outline to the Board, a copy of which is part of the Network's records for this Board meeting. The idea is to create a streamlined compilation of the reporting currently received from the Network's three program managers, including peer data where possible, tracking metrics over time and presenting the numbers in context so they have more meaning.

Cara Unger of eROI updated the Board regarding research they have been doing which will help drive their communications strategy and tactics going forward. A copy of the eROI presentation is part of the Network's records for this Board meeting.

Kevin Raymond of Sellwood presented the Sellwood Performance Report, a copy of which is part of the Network's records for this Board meeting. All global markets performed positively in the third quarter, which was borne out in the performance of the funds in both the Oregon College Savings Plan and MFS 529 Savings Plan.

Mr. Harvey explained the Optimal College-Savings Glidepath Design for the Oregon College Savings Plan prepared by Sellwood. This is a "blue sky" design that envisions what Sellwood would recommend if there were no constraints on how the glidepath was constructed. A copy is included in the Network's records for this Board meeting. Suggestions include a smoother glidepath with quarterly allocation changes within a single fund, extending the glidepath beyond age 18, and targeting the college entry date rather than the age of the beneficiary.

Anthony Poto of MFS provided the Board with highlights from the third quarter report for the MFS 529 Savings Plan, a copy of which is part of the Network's records for this meeting.

Kerry Alexander of TIAA presented highlights from the third quarter report for the OCSP, a copy of which is part of the Network's records for this meeting.

Doug Magnolia of BNY Mellon presented a review of the third quarter report for the ABLE plans, a copy of which is part of the Network's records for this meeting. The live chat and screen sharing functions are now available when people have questions or need assistance online.

The meeting was adjourned at 4:14 p.m.