

OR529 Savings Board



Minutes of the OR529 Savings Board February 20, 2025

Members Present:	President Holmes-Sullivan Brett Turner Treasurer Elizabeth Steiner, Chair
Members Absent:	Catherine Schulist
Network Staff:	Ashley Daigle, Strategy and Program Director Kasey Krifka, Marketing and Communications Director Caitlen Laue, Operations Director Ryan Mann, Executive Director Renzo Meza, Outreach Manager Missy Simpson, Program Coordinator James Sinks, Financial Education Program Manager Stephanie Swetland, Plan Specialist John Valley, Policy and Outreach Director
Others Present:	KC Anderson, Thesis Sara Bayes, Oregon State Treasury Pattie Davidson, Landmark Tanner Earhart, Sellwood Investment Partners Ryan Fitzgerald, Sellwood Investment Partners Barry Ford, Oregon State Treasury Allison Frelinger, Public Matt Golden, Vestwell Jeff Gudman Rosemarie Horgan, MFS Ericka Langone, Oregon State Treasury Soohyang Lee, AKF Consulting Doug Magnolia, Vestwell Michael Makale, Oregon State Treasury Scott McDowell, Public Sybil Ackerman-Munson, Oregon State Treasury Daniel Nzouankeu, Vestwell Kevin Raymond, Sellwood Investment Partners Greg Walker, Landmark

Ryan Mann
Executive Director

Elizabeth Steiner
State Treasurer
OR529 Chair

Dr. Robin Holmes-Sullivan
Board Member

Catherine Schulist
Board Member

Brett Turner
Board Member

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The meeting was called to order at 1:00pm by Treasurer Steiner.

Tab 1 – Board Member Reports (INFORMATION ITEM)

None.

Tab 2 - Executive Director’s Report - (INFORMATION ITEM)

Ryan Mann, Executive Director, provided an update on the ABLE Age Adjustment Act, which results in the age of eligibility moving from 26 to 46, and the Network's work on preparing for this change. Work has begun on rebranding the Oregon College Savings Plan and staff will have more to share at the May board meeting. The Community Grant Program is being expanded, which allows OTSN to engage community organizations as ambassadors for our programs while also providing the organizations with a financial incentive. The 2025 Financial Wellness Scorecard is available and helps identify areas where families in the state are struggling and where they’re doing well. A copy of Mr. Mann’s Executive Director’s Report is part of the records for this meeting.

Additionally, Mr. Mann spoke to the Vestwell/BNY call center services change. A subcontractor, EXL, will be providing additional capacity for the call center and better technology and reporting around call center metrics. The Network is overseeing this process to ensure that the transition is as smooth as possible.

Treasurer Steiner requested that Mr. Mann keep the Board informed regarding how the call center transition progresses.

Tab 3 – Communications Update – (INFORMATION ITEM)

Kasey Krifka, Marketing and Communications Director, provided a marketing update for the Board. She explained the marketing strategy for the fourth quarter, which was centered around building interest and trust during the holiday season with social-proof success stories. There was steady account growth, with 2,988 new accounts opened in Q4, a 42% increase over last quarter. Marketing campaign highlights included a focus on gifting, paid search ad results, making the OCSP website available in 14 different languages, advanced tracking on the website to allow better understanding of how audiences use the site, data regarding clicks on “Open an Account,” and expanded campaigns for the ABLE program. A copy of the Communications Update is part of the records for this board meeting.

Tab 4 – Quarterly Data Report – (INFORMATION ITEM)

Ryan Fitzgerald, Sellwood Investment Partners, covered the Quarterly Data Report, which focused on 2024 in review. OCSP accounts were up 4,692, MFS was down 2,226 accounts and ABLE was up 1,206 accounts. Overall, assets were up 9% across the three programs. Over 5% of Oregonians have a 529 account vs. 4.7% nationwide. Additionally, three times more Oregonians are using ABLE accounts than their national peers. A copy of the Quarterly Program Report is a part of the records for this board meeting.

Treasurer Steiner inquired if Sellwood was able to determine how many Oregon residents have 529 plans in other states. Mr. Fitzgerald stated that they don’t have that information available, but

Ryan Mann Executive Director	Elizabeth Steiner State Treasurer OR529 Chair	Dr. Robin Holmes-Sullivan Board Member	Catherine Schulist Board Member	Brett Turner Board Member
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it's a good flag to investigate and find out if that information can be located through another source.

Tab 5 – OCSP & ABLE Update – (INFORMATION ITEM)

Doug Magnolia, Vestwell, provided updates on recent enhancements in accessibility, security and increasing contributions, which included the rollout of the mobile app for both iPhone and Android, Plaid IDV (which increased the number of people who passed the Know Your Customer process by 20% while making enrollment easier), and more options for recurring contributions and the ability to set auto-increase of contributions. Mr. Magnolia's OCSP & ABLE Update is part of the records for this board meeting.

Mr. Magnolia also commented on subcontracting the call center with EXL. A driver for this was the difficulty in keeping call center staff in 2023. Subcontracting will help fill that void, as will the ability to use AI to help move conversations along for simpler questions. The overall technology stack of EXL is about ten years ahead of where BNY is, which should greatly improve the call center experience for savers. These changes will be closely monitored and adjustments made as needed.

Tab 6 – Investment Performance Report – (INFORMATION ITEM)

Kevin Raymond and Ryan Fitzgerald, Sellwood Investment Partners, presented the 2024 Q4 Investment Performance Report, explaining market conditions that drove performance. Global markets and investment grade bonds were down for the quarter. Assets in the various portfolios was discussed, as well as the ratios of investments in the portfolios and performance of the College Enrollment Year Glidepath. Performance was within expectations for the glidepath portfolios, target-risk portfolios and individual portfolios. Vanguard fees for underlying funds were also reduced, resulting in a fee reduction of one basis point. MFS fund performance was also discussed in detail as was fund performance in the ABLE program. A copy of the Investment Performance Report is a part of the records for this board meeting.

Tab 7 – Audit Report – (INFORMATION ITEM)

Pattie Davidson, Landmark, presented the 6/30/24 Audit Presentation. Ms. Davidson provided a high-level overview of the presentation. She stated that the Management's Discussion and Analysis portion of the report covers everything in the report in easily understood language. Ms. Davidson explained how the audit for each program is done. Of note is that there were some issues with the MFS audit. There were five different drafts provided for the audit, four of which were incorrect due to overstatement of the assets in the plan by \$13 million. There was no participant or asset impact; however, this flagged a significant deficiency in internal controls over financial reporting. Ms. Davidson feels this may have been a result of a fair amount of turnover with BNY staff who were new to the process.

Mr. Magnolia stated that BNY informed him that the issue had been fixed, but the reports were still incorrect. He never got a clean explanation of why, although he is aware that there has been a lot of staff turnover and people new to the BNY accounting process. The fact that the reports were resubmitted with the same problem is an issue.

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Treasurer Steiner requested that if something like this is occurring and is known that she'd like to be made aware of it during the audit process as opposed to several months after the fact during the quarterly board meeting, which is what occurred in this situation. Ms. Davidson noted that Director Ryan Mann and Treasury staff had been informed of this at the time it occurred, and Treasurer Steiner stated that she'd also like to be notified immediately in the future.

Tab 8 – Review and approval of the November 21, 2024, Board Minutes - (ACTION ITEM)

Due to the fact that Treasurer Steiner recused herself from voting on the November 21, 2024 meeting minutes because she wasn't at that meeting, there wasn't a quorum to vote on them. Approval of the November minutes was held over until the May board meeting.

PUBLIC COMMENT:

Allison Frelinger provided comments regarding the inclusion of investments in oil, coal, gas and other fossil fuels in the Enrollment Year portfolios. She urged the board to include a target year option that doesn't contain fossil fuel investments.

Scott McDowell also requested that an investment option be provided that fully divests from fossil fuels.

The next scheduled Board meeting will be May 22, 2025.

The meeting was adjourned at 3:22 pm.