

**MINUTES OF THE MEETING**  
**Arkansas Section 529 Plan Review Committee**

Thursday, June 13, 2024, at 10:00 AM

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

A meeting of the Arkansas Section 529 Plan Review Committee (“Committee”) was held on Thursday, June 13, 2024, at 10:00 AM in the Victory Building Conference Room, Suite 275 and via Zoom virtual meeting. Present at the meeting were Arkansas Treasurer of State Larry Walther; Heather McKim, Chief Public Affairs Officer; Mark White, Executive Director, Arkansas Teacher Retirement System; Dr. Ken Warden, Commissioner, Arkansas Division of Higher Education; Fran Jansen, Director of 529 Programs and Financial Education; Chris Scott, Manager, 529 Programs; Kim Shockley, Johnny Saldana, and Erica Norton with Ascensus College Savings; John Peace with Wright, Lindsey & Jennings LLP; Dana Rogers and Lisa Van Hook with The Communications Group; John Park with BlackRock; Christy Miller and Amanda White with Vanguard.

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

Treasurer Walther called the meeting to order at 10:03 AM.

Following introductions, Treasurer Walther asked for a motion to approve the meeting minutes from March 7, 2024. Mark White moved for approval, Dr. Ken Warden seconded the motion, and the minutes were approved.

Fran then presented for approval checks and invoices paid during Q4 FY 2024. Mark White moved for approval, Dr. Ken Warden seconded the motion, and the checks and invoices were approved.

Fran Jansen then gave the director’s report which summarized recent outreach and professional development efforts including Chris presenting to Career and Technical Education specialists in March, 529 sponsorship of Second Presbyterian Preschool graduation event, 529 sponsorship of an Arkansas Traveler’s baseball game, and attending the 2024 National Association of State Treasurers Management Training Symposium in Pittsburgh.

Dana Rogers and Lisa Van Hook with The Communications Group then presented an overview of their agency’s services, and 529’s marketing and promotion results since Communications Group acquired the account in January. They also outlined their strategies for increasing program awareness, raising the program’s assets and number of accounts while also lowering the beneficiary age for the majority of new accounts.

Kim Shockley then reported on Direct 529 account activity as well as Advisor Plan assets, U-gift, and U-promise. She stated that as of June 13, the Brighter Future Direct Plan assets under management were nearly \$624 million. The direct plan received \$26 million in year-to-date contributions, year-to-date withdrawals were at \$19 million, and there was a total of 35,504 funded accounts, with an average account size of \$17,569. Kim also reported on the Brighter Future Advisor Plan, stating that as of June 6, there was \$751 million in total assets under management, and 17,285 funded accounts, with an average account size of \$43,491.

Next, Amanda White presented Vanguard’s economic and market overview as well as the program’s portfolio and underlying fund performance. She noted that the market performance was centered around the Federal Reserve Bank, which continues to hold rates at the current level. Speaking to the program’s portfolio performance, she indicated performance was as expected for index funds - but with a larger differential than usual on the one-year performance numbers for portfolios with higher international equity allocations due to fair value pricing.

John Park with BlackRock then expounded on the market commentary stating that the markets are very headline driven, hanging on economic data as it becomes available, and that the most recent data suggested we would avoid a recession. He then reported on the Arkansas-owned Brighter Future Advisor Plan stating that there were 469 financial advisors offering the plan in Arkansas and that there were currently 4,175 Arkansas-owned accounts with an average account size of \$19,228.

Next, John Peace presented a budget report for FY24 thus far, reporting that income exceeded expenses by almost \$80,000 and that approximately \$70,000 remained for marketing expenses. He stated that as of the end of February, income had exceeded expenses by \$224,641 and that the balances of the administrative accounts totaled \$542,460.

For new business, Fran proposed October dates for the next quarterly meeting.

There being no further business, Treasurer Walther adjourned the meeting at 11:15 AM.

Respectfully submitted,

Fran Jansen, Director of 529 Programs and Financial Education