



**MINUTES FROM MEETING OF
THE COLLEGE INVESTMENT COMMITTEE
MARCH 7, 2017**

A meeting of the College Investment Committee was held on March 7, 2017
At 10:00 AM in the Conference Room of the Office of the State Treasurer (OST)
Located at 820 Silver Lake Blvd., Suite 100, Dover, DE 19904

Committee Members Represented or in Attendance:

Mr. Stephen Saville, Chair (Telephonically)

The Honorable Ken Simpler, State Treasurer

Ms. Karen Field Rogers, Deputy Secretary (on behalf of Secretary Susan Bunting, Department of Education)

Mr. Donald Shandler, Public Member, College Investment Committee

Ms. Valerie Watson, Deputy Principal (on behalf of Secretary Richard J. Geisenberger, Department of Finance)

Committee Members Not Represented or in Attendance:

Mr. José Echeverri, Chair, Plans Management Board

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General

Ms. Nora Gonzalez, Deputy State Treasurer, Office of the State Treasurer

Mr. John Meyer, Director of Contributions and Plan Management, Office of the State Treasurer

Mr. Mike Green, Financial Investment Program Manager, Office of the State Treasurer

Mr. Omar Masood, Policy Advisor, Office of the State Treasurer

Ms. Martha Sturtevant, Office of the State Treasurer - Recorder

CALLED TO ORDER

Mr. Saville called the meeting to order at 10:05 AM.

APPROVAL OF THE MINUTES

A MOTION was made by Ms. Rogers and seconded by Mr. Shandler to approve the minutes from January 10, 2017.

MOTION ADOPTED UNANIMOUSLY.

DCM SPONSORSHIP AGREEMENT

The Committee reviewed the September Delaware Children's Museum ("DCM") Finance Report. The Riverfront Development Corporation ("RDC") continues to offer staffing, marketing and financial support. The Committee remains concerned with DCM's continued struggle with revenue and questioned DCM's long-term solvency without RDC's continued involvement and support.

The Committee asked Mr. Staib to review and provide guidance with respect to the enforceability of the Sponsorship Agreement.

OST committed to researching alternative payment and other terms in the event the Committee decides to engage DCM in discussions.

The Committee will meet again on April 11th for a formal vote as to how to proceed with respect to the Sponsorship Agreement.

Mr. Meyer will communicate to DCM that a decision would be made in April.

WHITE PAPER

The Committee discussed the white paper prepared by OST to comprehensively review the Plan and the 529 market.

Key findings from the research outlined major plan sponsors, leading service providers and trends both nationally and within the Delaware market. The Fidelity rewards credit card was also discussed as feature of the current Fidelity program.

Members discussed the upcoming Request for Proposal (“RFP”) for the Plan. Noting that there are only two prominent 529 general consultants, the members discussed whether it was necessary to engage such a party prior to the upcoming RFP. The Committee weighed the costs and benefits of a consultant versus the self-discovery of the RFP process and the study of RFP’s issued by other states. The Committee agreed that engaging a consultant was not needed at this point in time.

OST proposed a RFP timeline to finalize the Scope of Services and RFP in July, with a goal of having bids back by September. The Committee could then determine if a consultant was necessary to help review the proposals.

The Committee also discussed the timing of a 529 Plan RFP and the benefits of joining together with a 529a or Achieving a Better Life Experience (“ABLE”) Plan. Acknowledging the similarities between the programs, the Committee discussed a joint RFP proposal with bidders having the option to bid on one or both programs.

OST will research and communicate to the Committee for April 11th meeting.

OTHER MATTERS

The Committee discussed raising the 529 Plan contribution cap from \$350,000 or \$500,000. Members did not believe raising the cap would significantly increase the number of new accounts.

Members discussed the target market for 529 Plans. Fidelity targets parents with kids over 6 that make upwards of \$75,000 a year.

There was a discussion about partnering with the education community for outreach. Members proposed questions that could be built into the RFP to promote outreach and marketing to the education community.

NEXT MEETING

The next Committee meeting is scheduled for April 11, 2017.

PUBLIC COMMENTS

No members of the public present for comment.

ADJOURNMENT

A MOTION was made by Ms. Watson and seconded by Mr. Simpler to adjourn the meeting at 11:18 PM.
MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

Stephen Saville
Chair, College Investment Committee

Martha Sturtevant
Recording Secretary