

DE 529 EDUCATION SAVINGS PLAN

2022 Q2 BUSINESS UPDATE

PLANS MANAGEMENT BOARD

SEPTEMBER 2022 MEETING



	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Commentary	
New Accounts	351	487	843	1,137	• Delaware plan is down 28%, industry was down 16%, Fidelity overall account acquisition down in Q2 2022	●
New Accounts-Delaware Residents	279	341	626	762	• Delaware accounts were down 18% vs Q2 of 2021	●
% of new accounts for beneficiary under 5	46%	45%				●
% of new accounts from Fidelity customers	67%	71%			• Overall Fidelity accounts down in Q2 impacts DE529 accounts	●
Contributions	\$11 MM	\$17 MM	\$28 MM	\$36 MM	• 2021 strong contribution growth with 22% growth over '20	●
Distributions	\$21.4 MM	\$21.9 MM			• Flat year over year resulting in net sales of \$1.7 MM	●
Assets	\$650 MM	\$767 MM			• Market movement and distributions	●
% of assets for beneficiary 14 years or older	73%	74%	73%	74%		●

2022 Highlights:

- ✓ HB145 (tax incentive legislation) signed into law
- ✓ Launch of Stable Value product (April) and removal money market fund (May)
- ✓ Expanded newborn postcard program to hospitals in all three counties
- ✓ Concurrent Resolution by General Assembly marking May 29th and DE529 Day
- ✓ DE529 Baby Race at University Delaware basketball game (February)
- ✓ Revisions to the 529 Investment Policy Statement
- ✓ Table in Legislative Hall promoting the DE529 (May)
- ✓ Launch of the ASPIRE529 program to help Delaware’s foster youth (16 awardees)
- ✓ May promotion day at the Delaware Museum of Nature and Science
- ✓ June Enchanted Garden Day at Winterthur Museum
- ✓ *Movies and Bonfires* Dewey Beach promotion (June- August)
- ✓ Launch of incentive program “First State, First Steps” on July 1st (July – Dec)
- ✓ State Fair promotional material
- ✓ DE529's Route One Rivalry between UD and DSU (9/11 football game)

Upcoming Initiatives:

- College Savings Month in September
- Lyte Scholars Program Pilot
- Revisions to 529.Delaware.gov and fidelity.com/delaware
- Morningstar Annual Rating Interview (September)
- Explore ESG investment offerings
- Apple Scrapple Festival and Sea Witch Parade (Fall)
- Truck and Tractor Day at Winterthur (October)





Colleen Davis • 1st
Delaware State Treasurer
1d •

#CollegeSavingsMonth is the perfect time to open a DE529 account as part of the "First State, First Steps" Program!! [529.delaware.gov](https://www.529.delaware.gov)
#delaware #treasurer #529plans #savings #FirstStateFirstSteps #college #collegesavings #education

Start saving for college with the First State, First Steps Program

"First State, First Steps" is an incentive program for Delawareans, offering a \$100 contribution to a new DE529 account opened before 12/31/22.

First State, First Steps
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DE529
529.DELAWARE.GOV

The beneficiary must be five years of age or younger at the resident at the time \$100.00 must be made out is opened [529.delaware.gov](https://www.529.delaware.gov)

Tram & Treat
October 29, 10 am-2 pm
Dress your goblins and ghosts in their Halloween finest and join us for daytime trick-or-treating in the Winterthur Garden. Ride a tram and then walk in Enchanted Woods to enjoy candy, crafts, live music by Silly Joe, and games. *Included with admission. Members free.*

Truck & Tractor Day
October 1, 10 am-4 pm
Kids big and small are invited to celebrate the season with us during a day of farm-style fun! Get up close to trucks and tractors, check out other vehicles and equipment, suit up in firefighter gear, take a hayride, and even milk a mechanical cow! *Included with admission. Members free.*

Wine through Winterthur

Wine and the White House
September 30, 5-7 pm
Fred Ryan Jr, author of *Wine and the White House: A History*, is joined by White House Historical Association President Stewart D. McLaurin for an informative and entertaining "fireside chat" perfect for devotees of presidential history, lovers of wine, or both. *Talk: 5-6 pm, \$10; Members free. Reservations required. Meet-and-greet wine tasting and cocktail hour 6-7 pm in the Visitor Center Café. See [winterthur.org](https://www.winterthur.org) for pricing information.*

Holiday Walking Wine Tasting
November 19, 1-5 pm (Rain Date: November 20)
Celebrate the beginning of the Yule season with a crisp afternoon through the woodland, stopping along way to enjoy three wine tastings and up shops by local artisans. Warm up by fire pits, live music, a sweet treat, glass of spiked apple cider. \$45; \$20 for Members. \$20 for designated drivers.

WINTERTHUR
MUSEUM, GARDEN & LIBRARY

Winterthur In Season

JUNE 2022

Summer finally arrives this month, and there is so much to enjoy this season at Winterthur. Wander the garden for sun- and shade-loving seasonal flowers, walk the hiking trails and wooded paths to keep cool during the hot summer days, and explore indoors with our exhibitions, programs, and events.

In the Garden
Summer weather is perfect for exploring the garden and estate on your own or through one of our guided programs. On consecutive Wednesdays in June, 11:00 am-12:00 pm, we'll explore these topics: Sycamore Hill, fabulous ferns, plants of Oak Hill, the Reflecting Pool, and the history of the headhouse. On June 11, 8:00-9:30 pm (bring a flashlight!), a guided evening walk to see the meadows, streams, and ponds. See all the beautiful birds that call Winterthur home during 8:00-10:00 am, for a birding walk. We'll visit natural areas, a woodland along Clenny Run, which provide great habitat to beginning and experienced birdwatchers. \$20; \$10 for Members.

On June 18, 10:00 am-3:00 pm, join us for Enchanted Summer Enchanted Woods, our award-winning children's garden. The listening to thrilling tales and musical entertainment, being in fashioned lawn games. [Find out more.](#)
Sponsored by the Office of the State Treasurer, administrator of the DE529 Plan

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Delaware State Treasurer
1h •

Start saving now to avoid college tuition sticker shock later! Learn more at [529.delaware.gov](https://www.529.delaware.gov). #delaware #treasurer #CollegeSavingsMonth #529plans #savings #tuition #education

IT'S GOING TO COST HOW MUCH TO GO TO COLLEGE? We can help!

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APPENDIX





Program Summary:

Delaware’s 529 Plan, also known as DE529, is sponsored by the State of Delaware and managed by Fidelity Investments. The Plan provides tax-advantaged accounts designed to help parents, grandparents and others pay for education expenses, reducing the possibility of debt. Contributions can be invested in portfolios tailored to a person’s age or the investor’s ability to identify an asset allocation strategy.

① GROW ACCOUNTS

- Goal One – Further Optimize Fidelity Marketing and DE529 Plan Marketing Spend
- Goal Two – Test and Implement a Match Incentive Program
- Goal Three – Establish Partnerships with Top Three Birthing Hospitals in Delaware
- Goal Four –Partner with Delaware Public Schools
- Goal Five –Workplace Messaging

② INCREASE CONTRIBUTIONS

- Goal One – Support HB145 Tax incentive legislation within Delaware to attract additional contributions
- Goal Two – Test and Implement a Match Incentive Program
- Goal Three –Collaborate with Fidelity on Gifting Tool Promotion and Employer Contributions

③ BUILD TOP TIER PLAN

- Goal One – Create a “State Collective” of Fidelity 529 Plans
- Goal Two – Continue to Strengthen Oversight with Board and Committees
- Goal Three – Implement Strategy for Administrative Fee Balances
- Goal Four –Pass HB145 Tax Incentive
- Goal Five –Scholarship Pilot (Foster Youth)

Focus Timeline

2021

- ✓ RFP for Plan
- ✓ Rebranding of plan

2022

- Test Match Incentive Program (May 29th)
- Support HB145 Tax Incentive
- Top birthing hospital partnerships
- Implement strategy for administrative fee balances
- Scholarship Pilot

2023

- Workplace messaging/employer campaigns
- Match Incentive Program assessment
- Collaborate with Fidelity on workplace
- Promotion of gifting tool
- Host virtual “State Collective” Summit
- Scholarship Pilot

2024

- Morningstar Medal Assessment
- Scholarship Pilot



• Green font represent “always on” efforts