**College Savings Foundation**

**Annual Membership Meeting**

**December 15, 2015**

**Washington, DC**

Present: Kyla Michaud, Fidelity Investments; Peter Mazareas, Invite Education; Roger Michaud, Franklin Templeton; Elizabeth Fontaine, MEFA; Rich Polimeni, Bank of America/Merrill Lynch; Mary Morris, Virginia College Savings Plan; Chris McGee, Virginia College Savings Plan; Stefanie Mattson, State Farm; Rich Wolle, Franklin Templeton; Paul Curley, Strategic Insight; Regina Carmon, College Savings Bank; Mary Nickeson, Wealth Management Systems; Tom Morgan, BlackRock; Arthur Dunn, Boston Financial, Data Systems; Tim Gorrell, Ohio Tuition Trust Authority; Elizabeth Yassenoff, Ohio Tuition Trust Authority; Chris Lynch, TIAA CREF

By Telephone: Deb Smith, John Hancock Financial Services; Rachel Biar, Nebraska College Savings Plan; Maria Manotok, American Funds; Melissa Stiles, American Century Investments; Lauren Biocchi, Voya Investment Management; Joanna Rotter, NexBank; Alisa Ferguson, Virginia529

Consultants: Barbara Pate, Davis & Harman; Lynthia Romney, Romneycom; Randy Hardock, Davis & Harman; Kathy Hamor, College Savings Foundation

The meeting was convened at 11:07 am.

1. **Approval of Previous Meeting Minutes**

The minutes of the 2014 annual meeting held on December 16, 2014 were reviewed and approved unanimously.

1. **Introductions/Chairman’s Remarks**

Mary Morris welcomed everyone to the meeting. She noted that it was a busy fall with a lot of work going on with a number of issues; in particular the financial aspects of CSF, the conference, the website redesign and hopefully Congress will have something good to report in the next several days. She observed that ABLE has kept many members busy this year.

Mary urged CSF member organizations to get their employees involved on various committees and task forces. CSF is having its first reception this evening to begin reaching out to affiliated organizations.

1. **Financial Report**

Kyla Michaud, Treasurer, reviewed the current 2015 financial report. She mentioned that CSF is in much better shape this year than last and has $169,794.33 in cash on hand.

had a successful conference with income coming in higher than expected and the expenses

1. **Media Report**

Roger Michaud gave the report noting CSF has had great exposure through the media this year. He mentioned that CSF is taking a different approach to releasing its surveys by breaking down the surveys and into smaller releases. Lynthia Romney discussed other media efforts throughout the year.

The highlights of CSF media coverage in 2015 are:

General Media: CNN Newsource interviewed Mary Morris at CSF office. Resulted in two features that each appeared in over 80 sources in print, broadcast and online including regional network TV stations.

January 2015 – Defense of 529 tax benefits:

CSF Press Release called for roll back of budget plan on January 20. Conducted intensive media campaign with these results:

CSF was included in early *CNN.com* story.

*Forbes* ran gifting story that had been prepared in December, quoting College Savings Bank, and included CSF position on the 529 debate and stats.

Roger Michaud appeared on the top story for *The Willis Report* 1/21. *FoxNews.com* quoted CSF in coverage.

CSF included as expert resource in *WSJ.com****.***

Mary Morris interviewed and CSF included as expert in *New York Times*.

Mary Morris quoted by Liz Weston in *Reuters* column.

*Kansas City Star’s* syndicated columnist Steve Rosen included CSF in entire column on gifting prepared in December.

*Washington Post* begins including CSF stats in its news coverage.

Mary Morris interviewed by *NPR.*

Mary Morris interviewed by *NY1 – Time Warner*.

Mary Morris interviewed by Michelle Singletary of *Washington Post*, whose column ran the evening of January 26 after President Obama dropped the proposed plan.

Mary Morris interviewed by *Ignites****.***

*InvestmentNews, Education Week*and numerous blogs

*CSF*issued a statement to media supporting withdrawal of plan.

Media coverage ensued quoting CSF: *BBC, The Hill, Detroit News, The Chronicle of Education* *The Fiscal Times, Epoch Times, The Guardian, Lincoln Journal Star, The Patriot Post, The Inquisitr*, *CBS Minnesota, National View by Dr. John Sparks, Sierra Sun Times, South Coast Today.*

*NJ.com* interview with Mary Morris which resulted in full story

2015 Conference & Public Session:

National Media:

Liz Skinner, *InvestmentNews* and Liz Weston, *Reuters* columnist and personal finance writer

Regional Media:

Ralph Haurwitz, *Austin American Statesman;* Katie Mangan, *Chronicle of Education*, Austin Bureau; Jennifer Curington, *Community Impact Newspaper;* Broadcast: *KXAN (NBC); KEYE (CBS), Fox News Good Day Austin*

2105Sixth Annual 2015 *How Youth Plan to Fund College* survey of high school students:

*Business for Breakfast Money 1510* in Phoenix; *Prudent Money* (full program) podcast; *Financial Advisor; Pittsburgh Post-Gazette*

2105 *State of College Savings Survey*: CSF released its 9th annual State of College Savings survey results in August.  This year we issued several releases or pitches based on the data from the survey:

In August, key findings of parent savings patterns by generation;

In mid-September, in recognition of college savings month, we released results on the amount of total savings by beneficiary age ranges;

In November, outreach on gifting programs including results from the survey.

State of College Savings Survey Coverage:

*Pittsburgh Post-Gazette*, syndicated in *Dallas Morning News* and *Milwaukee Wisconsin Journal Sentine****l*** (Mary Morris); *Business for Breakfast* (Money Radio 1510) – (Roger Michaud); *Home & Family Finance* – Roger Michaud (Radio America Network, and will air twice on AFN and 177 military installations); Peter Newman at *Kansas City Moneyline - KMBZ-AM* (Mary Morris); *CNBC* and*NBC* stories, *Benefits Pro*; *iSchoolGuide*; Bob Brooks on *Prudent Money; Real Wealth Radio* (Roger Michaud);

*Goal Investor* .

Gifting Media Outreach:

*Chicago Tribune* (CSF, Mary Morris, Fidelity)

*Kansas City Star* (CSF, Mary Morris, Giftof ollege, College Savings Bank, Fidelity, Oppenheimer Funds); *Financial Advisor*, (CSF, Mary Morris, GiftofCollege, GiftedPath, Fidelity, Oppenheimer, College Savings Bank and Franklin Templeton); *KOGO – Money Matters* with George Chamberlin, 30-minute interview with Mary Morris on 529s, the CSF survey findings and gifting strategies; *US News & World Report*, (Mary Morris);

*Pittsburgh Post-Gazette*, interested in doing a feature and seeking a Pittsburgh family.

1. **Conference Committee**

Rich Polimeni and Rich Wolle gave the report. They thanked the committee members and Kathy for their assistance in getting the conference together. As a reminder the conference is being held from March 8 – 10, 2016 at One Ocean Resort in Atlantic Beach, FL. On-line registration will soon be posted on the CSF website and there will be 1 mailing of the conference brochure with email notices being sent to former conference attendees. The CSF Board meeting will start at 2 p.m. on March 8th.

Rich Wolle mentioned that Michael Kitces will be the keynote speaker and that CSF is looking into using the Guidebook app for the conference. There will still be conference books for people to use to make it easier to follow and take notes during the presentations.

Kathy discussed the conference sponsorships and thanks current sponsors Fidelity Investments at the platinum level; Northstar at the gold level; WMSI at the silver level; and American Funds and Mark Chapleau bronze level.

1. **Legislative, Legal and Regulatory Affairs Committee**

Chris McGee, Randy Hardock and Barbara Pate gave the report. Chris started his remarks by saying how fortunate CSF is to have Barbara and Randy working on legislative issues and thanking them for the excellent work they do.

Chris reported on the efforts in 2015 starting with the President’s proposal to change the tax treatment of 529 plans, to the provisions in HR 529 which are expected to be in the tax bill that will be brought up by the end of the week to the implementation of ABLE. Chris took a poll of CSF members to determine if they would like to have more detail and focus on ABLE and it was determined that CSF will start providing more detail on ABLE to members.

Chris provided a synopsis of ABLE. The draft regulations were released in mid-June. Three major concerns were addressed in interim guidance:

1. No longer will ABLE programs have to determine eligibility of account owners
2. No longer will programs have to characterize distributions for a qualified disability expense
3. No longer will programs have to collect the tax identification number of all people contributing to accounts

Barbara reported that there is a new Speaker of the House of Representatives in the House since the last CSF Board meeting. There seems to be new energy in Congress and things may be getting done. The spending bill and tax extenders bill are coming together and should be done within the next few days. This could be a bigger extenders bill than originally thought. The conventional wisdom is that HR 529 will be included whether there is a larger bill or a smaller one. It will include the piece on computers that will be retroactive to the beginning of the year; the 529 refund piece that is also expected to be retroactive to the beginning of the year. In the situation where it is retroactive, the time for the 60 days to refund the 529 plan will be 60 days from enactment of the legislation. There will also be aggregation rule changes.

Randy gave CSF members a heads up that the passage of this bill will happened quickly and they should be prepared for these changes. The issuance of a press release applauding the changes was discussed and agreed upon. There will also be a section that describes improvements for the future.

It was announced that CSF will have a 2016 legislative agenda planning day on January 6th starting at 11 a.m. For those who can attend in person, the meeting will be held at the offices of Davis & Harman and for others who would like to join by phone, that option is available. It is envisioned that broad goals for 2016 legislative efforts will be set that day. That includes:

* Investment direction
* Rules for funds left in a 529 to be rolled over into a Roth IRA; or charitable contributions and possibly to pay student loans
* Employer plan inducements that encourage payroll reduction
* Changes to FAFSA for grandparents’ contributions

1. **Industry Data Committee**

Kathy Hamor gave the report for John Park who was not available to attend the meeting. CSF is continuing to determine what its data needs are for the future and will continue to review this for the next year.

1. **Membership Committee**

Kathy Hamor gave the report for Rob Tirell who was not able to attend the meeting. CSF got two new members in 2015. In addition, the bylaws were changed to create a category for broker/dealers. The committee is looking forward to more activity geared towards recruiting these organizations to become members in 2016.

1. **529 Administrative Issues Task Force**

Deb Smith gave the report. A survey was sent to members to create an Omnibus Best Practices Group.

The results fell into 4 topic areas:

* Time Frame – for those who have moved to Omnibus, the did not know how to scope out the time or the challenges involved
* Reporting – what is needed
* Aggregation file
* Issues during testing

A challenge the group has had is getting people who have moved to Omnibus to help with those who are in the process of moving.

**10) Marketing Task Force**

Regina Carmon gave the report. Two major initiatives the Task Force is undertaking are a video contest and a redesign of the CSF website.

Kathy Hamor gave a report on the contest. CSF is launching a contest to have people send videos that are up to 30 seconds in length about how they save in 529 plans. There will be a drawing for a $500 GiftofCollege gift card each month for people who submit videos. The videos will be used at the conference and on the website to highlight how people are saving in 529 plans.

Regina reviewed the website redesign by showing screen shots of the recommended changes and design. The redesign was met with approval in the form of applause and the efforts for the redesign will continue. It is anticipated that the new website will be fully operational by the end of February 2016.

**11) Other Business**

The next Board meeting will be held at 2 p.m. on March 8th at the conference hotel.

The meeting was adjourned at 1:15 p.m.