

THE BOARD OF TRUSTEES OF THE  
COLLEGE SAVINGS PLANS OF NEVADA

MINUTES OF BOARD MEETING  
December 17, 2015

---

Chairman Dan Schwartz, State Treasurer, called the meeting of the Board of Trustees of the College Savings Plans of Nevada to order at 10:05 a.m., on Thursday, December 17, 2015. The meeting was held by conference call from the Nevada State Capitol, 101 North Carson Street, Guinn Room, Carson City, Nevada to the Grant Sawyer Building, 555 East Washington Avenue, Suite 5100, Las Vegas, Nevada. Other attendees participated in person or by conference call.

Board members present:

Chairman Dan Schwartz – Carson City  
Jamie Hullman – Carson City  
Bob Seale – Carson City  
Ned Martin – Las Vegas

Others present:

Tara Hagan, Chief Deputy Treasurer, Treasurer's Office  
Linda J. English, Deputy Treasurer for College Savings  
Sheila Salehian, Deputy Treasurer for Prepaid Tuition & Financial Literacy  
Shane Chesney, Nevada Attorney General's Office  
Blanca Platt, Program Officer, Treasurer's Office  
Troy Watts, Marketing Coordinator, Treasurer's Office  
Tricia Brady, Ascensus College Savings  
Lisa Connor, Ascensus College Savings  
Ardie Hollingsworth, Ascensus College Savings  
David Malone, Ascensus College Savings  
Eduardo Borges, SSgA Upromise  
Kevin Smith, SSgA Upromise  
Tom Hewitt, Vanguard College Savings  
Char Gross, Vanguard College Savings  
Eric White, Pension Consulting Alliance  
Megan Bedera, Amplify Relations  
Gina Robison-Billups, International Association of Working Mothers

Roll was taken, and it was determined a quorum was present. Ms. English indicated the meeting had been properly noticed and the agenda was posted in accordance with the Open Meeting Law in both Carson City and Las Vegas.

1. Public Comment

There was no public comment in Las Vegas or Carson City.

Consent Agenda

2. For possible action: Board review and approval of the College Savings Board minutes of October 29, 2015.
3. For possible action: Board review and approval of the Ascensus program manager's report encompassing results for Vanguard, USAA and SSgA Upromise 529 plans for the quarter ended September 30, 2015.
4. For possible action: Board review and approval of the Putnam 529 for America advisor sold program manager's report for the quarter ended September 30, 2015.
5. For possible action: Board review and approval of the Thomas & Thomas unaudited financial statements of the Nevada College Savings Plans compiled for the quarter ended September 30, 2015.
6. For possible action: Board review and approval of the Prepaid Tuition Investment Monitoring Report prepared by Pension Consulting Alliance, Inc. for the quarter ending September 30, 2015.
7. For possible action: Board review and approval of a restated program description and participation agreement for the SSgA Upromise 529 plan.
8. For possible action: Board review and approval of restated program description and participation agreement for the USAA 529 College Savings Plan.
9. For possible action: Board consent to the extension of the USAA Private Label Agreement between USAA and Ascensus Broker Dealer, Inc.
10. For possible action: Board review and approval of the expansion of the financial literacy conference to add a Latina Women's Conference in Reno and the additional budget of \$21,000 to fund it.

Ned Martin asked to pull Agenda Item 3 and Agenda Item 4 from the Consent Agenda. Jamie Hullman asked to pull Agenda Item 10 from the Consent Agenda.

Bob Seale motions to approve Agenda Item 2 and Agenda Items 5 through 9. Jamie Hullman seconded the motion.

3. For possible action: Board review and approval of the Ascensus program manager's report encompassing results for Vanguard, USAA and SSgA Upromise 529 plans for the quarter ended September 30, 2015.

Ned Martin had questions about the client service metrics since the report showed three levels that were below the service level agreement. Tricia Brady explained that there were approximately two errors which were due to a transition they made during the summer in which they replaced the head of the client service center. Ms. Brady indicated that going forward more detail would be provided around the service levels.

Ned Martin motioned to approve Agenda Item 3. Jamie Hullman seconded the motion.

4. For possible action: Board review and approval of the Putnam 529 for America advisor sold program manager's report for the quarter ended September 30, 2015.

Ned Martin explained that he pulled this item in error; thus, he motioned to approve Agenda Item 4. Jamie Hullman seconded the motion.

10. For possible action: Board review and approval of the expansion of the financial literacy conference to add a Latina Women's Conference in Reno and the additional budget of \$21,000 to fund it.

Jamie Hullman asked for explanation in regards to TweetReach Snapshot that was included in the report from The International Association of Working Mothers. Gina Robison-Billups explained that the social media reports show the interest and engagement of people. Mr. Hullman also asked how the conferences result in attendees signing up for college savings accounts. Sheila Salehian responded that at the Latina Money Conference in Reno, there were 74 attendees and out of those 41 of them signed up to receive more information about the plans. Jamie Hullman commented that for future conference it would be helpful to have data available that shows how many people signed up for college savings accounts.

Jamie Hullman motioned to approve Agenda Item 10. Ned Martin seconded the motion.

#### Discussion Agenda

11. For possible action: Board review and approval of the Nevada College Savings Plans Investment Monitoring Report prepared by Pension Consulting Alliance, Inc. for the quarter ended September 30, 2015.

Eric White, Pension Consulting Alliance, reported that there are currently three funds from the USAA 529 on "Watch" status with one additional fund qualifying for "Watch" status. These funds include USAA Emerging Markets, USAA Real Return, USAA Intermediate-Term Bond and USAA Income Stock, which PCA is recommended be

removed from Watch status. Mr. White stated that the USAA Real Return fund has a benchmark mismatch, so PCA is recommending a new benchmark since they believe that this fund plays an important role in the portfolio.

Mr. White added that Putnam 529 currently has two funds on Watch status. Those funds include Putnam International Capital Opportunities and Putnam Income. PCA is expecting the Putnam Voyager fund to qualify for Watch status by next quarter. Vanguard 529 and SSgA Upromise 529 don't have any funds that qualify for Watch status.

Bob Seale motioned to approve Agenda Item 11. Jamie Hullman seconded the motion.

12. For possible action: Board review and approval of the annual investment presentation for SSgA Upromise 529 Plan.

Kevin Smith presented the annual investment review for the SSgA Upromise 529 Plan. SSgA proposed changes to the Program. The proposed changes involved moving two underlying investments within the College Date and Risk-Based portfolios from passive Exchange-traded Funds (ETFs) to passive mutual funds. Mr. Smith explained that the ETFs and mutual funds track the same indices and provide exposure to the same companies; however, the mutual funds have lower expense ratios than the ETFs which will lead to lower Plan fees for participants.

Eric White added that PCA has reviewed SSgA's proposed changes, and they believe the changes are in the best interest of participants. PCA recommended that the Board accept the changes.

Ned Martin motioned to approve Agenda Item 12. Bob Seale seconded the motion.

13. For possible action: Board to receive an update on "Let's Go To College! Nevada Saves" from Amplify Relations.

Megan Bedera presented a report on the umbrella outreach activities conducted by Amplify Relations. She explained that currently there are 23 stories on Prepaid Tuition open enrollment, 10 stories on the bus tour and 150 million national online impressions. There are three TV ads on air which have aired approximately 8,000 times statewide. Ms. Bedera explained that the bus tour created a lot of social media impact. Amplify Relations is focusing on building awareness which they are able to track through the website they created NV529.org. The website is able to track the number of people looking at the website and clicking on the partner links where they are able to open accounts.

Jamie Hullman motioned to approve Agenda Item 13. Bob Seale seconded the motion.

14. Staff Notes

Sheila Salehian gave an update on the Nevada Prepaid Tuition Program in which she explained that as of December 17, there were 112 enrollments. She also explained that in an effort to modernize the Prepaid Tuition Program, Staff plans to issue a Request for Proposal (RFP) for automation and administration of the program. The new system would increase efficiency and provide a better customer service experience to participants. Staff expects to release the RFP in January 2016.

15. Public Comment

There were no public comments in Carson City or Las Vegas.

Meeting adjourned at 11:50 AM

Attest:

  
\_\_\_\_\_

Linda English, Secretary to the Board