

**Minutes of AZ529, Arizona’s Education Savings Plan  
Advisory Committee Meeting  
March 25, 2024**

The quarterly meeting of the AZ529, Arizona Education Savings Plan Advisory Committee (Committee) was held on March 25, 2024, via Webex. Treasurer Yee called the meeting to order at 12:04 p.m.

**Members Present:**

The Honorable Kimberly Yee, Chair, Arizona State Treasurer (via WebEx)  
Keith Alexander, Special Assistant to the President for Community & Government Relations,  
Eastern Arizona College (via WebEx)  
Christine Burton, Co-Founder, Burton Family Foundation (via WebEx)  
Susan Ciardullo, Executive Director, Life Long Learning, Inc. (via Webex)  
David Eaker, Campus President, The Refrigeration School (via WebEx)  
Karen Mensing, Technology Integration Facilitator, Paradise Valley Unified School District (via WebEx)  
President Brian Mueller, Grand Canyon University, represented by Dana Drew Shaw (via WebEx)  
The Honorable Shaandiin Parrish, Council Delegate, Navajo Nation (via WebEx)  
Gary Schleuger, Vice President of State Government Affairs and Relations, University of Phoenix (via WebEx)  
Charlie Shields, Shields Company Inc./480 Endowment Consultants (via WebEx)

**Members Absent:**

Susan Bitter Smith, Maricopa Community Colleges  
Dr. James Rund, Senior Vice President for Educational Outreach and Student Services,  
Arizona State University  
Chris Schoenleb, North Valley Christian Academy

**Others Present:**

Jeff Kros, Assistant Deputy Treasurer, ASTO  
Jeffrey Ong, AZ529 Plan Administrator, ASTO  
Alyssa Koury, Public Information Officer, ASTO  
Nick Barnhiser, Financial Systems Administrator, ASTO  
Brittaney Chipley, Executive Director, AZ ABLE

**I. Treasurer’s Welcome and Opening Remarks**

Treasurer Yee called the March 25, 2024, quarterly meeting to order at 12:04 p.m. and welcomed the Committee members and staff attending the meeting.

She also welcomed Mr. Charlie Shields, Senior Managing Partner at Shields Company Inc./480 Endowment Consultants, who is a public member on the AZ529 Plan Advisory Committee.

Mr. Shields thanked the Treasurer for the opportunity. He introduced himself to the Committee and provided more background about his experiences in investment management and serving on investment committees including 529 education savings plans.

## **II. Roll Call of Committee Members**

Treasurer Yee asked AZ529 Plan Administrator, Mr. Jeffrey Ong, to do a formal roll call of the Committee members.

## **III. Approval of Minutes of December 7, 2023, Committee Meeting**

Ms. Ciardullo moved that the December 7, 2023, Committee meeting minutes be approved as distributed. Seconded by Ms. Burton. Motion carried unanimously.

## **IV. Presentation on AZ ABLE: Achieving a Better Life Experience**

Ms. Brittany Chipley, Executive Director, provided an overview of the AZ ABLE Program.

The AZ ABLE Program was established in Arizona by Governor Ducey in 2016, after the ABLE Act of 2014 created savings and investment accounts for individuals living with disabilities. She shared the money in the accounts is tax exempt and is not counted towards determining other social services including Medicaid and SSI.

AZ ABLE is available to Arizona residents through a partnership with the Ohio STABLE Account program and is administered by the Arizona Department of Economic Security. There is currently \$20.8 million in assets under management with an average account balance of \$11,000 to \$12,000, with outlined requirements for eligibility. In 2026, the ABLE Age adjustment act will increase the age of 46 and allow an additional 6 to 8 million additional Americans to join the STABLE program.

Ms. Chipley outlined how the accounts can be funded and how the monies can be spent, including for housing, rent, basic living expenses, transportation and health & wellness. She also provided partnership opportunities with the AZ529 Plan.

Mr. Shields asked if Special Olympics qualify for the AZ ABLE accounts. Ms. Chipley stated that Special Olympics does qualify for AZ ABLE accounts.

Treasurer Yee asked where the definition of qualified disabilities is found. Ms. Chipley stated that qualification definitions are found through SSDI or SSI or if they are self-certifying disabilities. The disability can range from down syndrome to cancer, but the disability must have occurred before the person reaches 26 years old.

## **V. AZ529 Plan Performance Update**

Treasurer Yee was pleased to share that in just over 40 months, since the AZ529 Plan transferred from the Arizona Postsecondary Education Commission to the ASTO, there were 37,284 new AZ529 accounts with total plan assets at \$2.13 billion, an increase of 31.3%. Additionally, she noted great growth in AZ529 accounts among non-traditional students including those going back to school and grandparents who are contributing to AZ529 accounts for their family. Social media and Spanish language efforts have also continued to grow.

Treasurer Yee asked Mr. Ong to provide an AZ529 Plan Performance Update. Mr. Ong stated that as of January 31, 2024, total AZ529 Plan Assets Under Management were \$2.13 billion, up 13.6% Year Over Year, and total AZ529 Plan accounts were at 107,686, up 6% Year Over Year.

He reported that Arizona residents held 52.4% of total Assets and 58.7% of total Accounts, with the rest held by Non-Residents. Fidelity remains the largest AZ529 provider, with 68.6% of Assets and 70.4% of Accounts. Goldman Sachs remains the second largest provider, holding 31.2% of Assets and 29.1% of Accounts. College Savings Bank holds the remaining 0.2% of Assets and 0.6% of Accounts.

Additionally, Mr. Ong provided a marketing update on the AZ529 Plan. For January, the monthly marketing efforts delivered 657,310 total impressions, 2,290 total clicks and a click through rate of .35%. All the tactics—including pre-roll, display, retargeting and social media overdelivered impression goals by 8%. In January, the English-speaking audience was the most engaged audience overall with our advertisements at a .38% click through rate.

Specifically for social media, Mr. Ong reported there were 352,750 total impressions and a .54% click through rate. Social media marketing promoted the art contest with the “Dream Draw Win” message—and reached 62,223 people. Grandparents had the highest engagement with a .64% click through rate.

Mr. Ong reported that in December, Treasurer Yee visited Junior Achievement of Arizona and 8<sup>th</sup> grade students from Mountain View Prep who were participating in the Finance Park and 5<sup>th</sup> graders from Litchfield Elementary who were at Biz Town. He gave a special thank you to Task Force Member Katherine Cecala for inviting Treasurer Yee to speak to students about the importance of learning the lessons at Biz Town and applying it to their future careers and saving for their education.

At the Channel 3 studios in Phoenix, the Treasurer stopped by to provide gift ideas including giving the gift of education during the holiday season. This included contributing to an AZ529 education savings plan along with unique gift ideas.

Additionally, Mr. Ong announced that Treasurer Yee was appointed as Vice-Chair of the National Executive Board of the College Savings Plans Network. She will serve on this national board to help raise awareness of 529 plans and advance ways to help families across the nation save for their education.

In January, Mr. Ong reported that starting January 1, 2024—families with left over funds in the AZ529 accounts can now roll them over into a Roth IRA to save for the future retirement of their children. Treasurer Yee shared that good news with Good Morning Arizona viewers on Channel 3.

At the Credit Unions Day at the Capitol, the Treasurer shared her personal journey into politics and the work our office is doing to manage more than \$64.7 billion in taxpayer dollars each

year. She also shared about the work of this Task Force and how we're advancing financial literacy to people across the state.

Also in January, Treasurer Yee joined the Arizona State Board of Education Student Advisory Committee. These are student leaders from across Arizona who were very interested in learning more about the Financial Literacy Task Force's mission to advance financial literacy to students and across Arizona.

In Phoenix, at the National Charity League, Treasurer Yee spoke to about 100 young ladies and their moms about the importance of establishing budgets and saving for the future. These junior high and high school students are from different schools but come together to raise money and establish budgets for various community projects and other community service activities.

Also in January, Treasurer Yee was the featured speaker at the Central Phoenix Women meeting. She shared how the Treasurer's Office safely oversees the cash management of Arizona's \$64.7 billion state budget and over \$30.7 billion in assets under management. She also discussed the Financial Literacy Task Force's efforts and the importance for families to save with an AZ529 Education Savings Plan.

At the SRP Working Families Resource Group, Treasurer Yee provided information about the AZ529 Education Savings Plan to employees who were very interested in saving and how SRP as a company can help them set up a direct payment to their 529 accounts.

At the Fox 10 studios in Phoenix, Treasurer Yee did a live interview with Troy Hayden about financial literacy efforts across the state. She shared about the important work of the task force to urge the state board to implement a 1-semester personal finance course for all Arizona high school students.

At Smith Elementary school in Glendale, Treasurer Yee officially launched the 3<sup>rd</sup>-annual AZ529 Art Contest and lead an art activity where students illustrated their dream jobs. These 5<sup>th</sup> grade students were excited for their chance to enter the contest which asked all Arizona K to 6<sup>th</sup> grade students to draw their dream jobs for a chance to win \$529 towards an education savings plan.

Treasurer Yee also met with the Gila Valley Leadership Class. Mr. Ong extended a special thank you to AZ529 Advisory Committee Member, Keith Alexander for arranging this visit and opportunity for the Treasurer to share with Graham County community leaders what the office does, the investments overseen and the importance of financial literacy to all of Arizona. Treasurer Yee also had a chance to talk with Graham County Treasurer Cindy Orr.

In early February, the AZ529 Plan had an exhibitor table at the College Depot Scholarship Expo. About 60 students and parents stopped by the table learned about the AZ529 Plan and utilized our materials in both Spanish and English.

A group of third grade students also visited the State Capitol to learn about state government. Treasurer Yee stopped by to talk to students about her experience as a former Senator and staff member at the Legislature and how that helps in her current role as Treasurer. She talked to the students and parents as well about financial literacy and the importance of saving for their education.

At the TeenPact visit to the Capitol, local teen leaders came to learn about how their government works, including the important role of the Treasurer's Office. Treasurer Yee shared about her journey into public service, how her Office prudently manages taxpayer monies and how these students can continue saving money for their future education and careers.

In Mesa, Treasurer Yee spoke to the Arizona Association of Gifted and Talented. These were educators and teachers who were interested in learning more about the AZ529 Education Savings Plan and how the task force is promoting more financial education in schools across Arizona.

The Financial Planners Association also stopped by the Treasury Offices in February to learn more about the Treasurer's initiatives to promote financial literacy. She talked with them more about the task force and the importance of the AZ529 Education Savings Plan. Mr. Ong stated that many of these individuals are financial planners, so it was important to let them know about the adviser sold option for the AZ529 Plan.

In Yuma, Treasurer Yee met with Yuma County Treasurer, Angela Moreno to discuss investment options for her county through our LGIP investment plans. Also, during her live interview with KYMA-TV, Treasurer Yee promoted the AZ529 Art Contest and that it was open to students across Arizona for a chance to save for their future education. Also in Yuma, the Treasurer reached out directly to students at the Boys and Girls Club to tell them about the AZ529 Art Contest. She led students in an art activity for them to draw their future careers. We received hundreds of entries from across the state and Treasurer Yee will be announcing 15 winners during an awards ceremony in April at the State Capitol.

Treasurer Yee also joined the Charter Schools Association for their Charters at the Capitol event. It was a great opportunity for Treasurer Yee to share the work of the Task Force and encourage educators at the event to incorporate financial literacy into their classroom curriculum. She also talked about the great savings advantages through the AZ529 plan.

At Phoenix Christian Preparatory School, Treasurer Yee made one last visit before the art contest ended. She encouraged the students to enter the art contest, which was open to all Arizona students, including those from private schools like Phoenix Christian.

To start the month of March for Read Across America Day, Treasurer Yee went to ASU Preparatory in Phoenix to read "Let's Talk Money." She visited with Mrs. Monroy's 2<sup>nd</sup> graders about wisely saving, spending and giving their money. In her second stop for Read Across America Day, Treasurer Yee visited Miss Perez's 1<sup>st</sup> grade class at Capitol Elementary

in Phoenix and read the book “You Can’t Buy a Dinosaur with a Dime.” This book talked about wisely saving and giving their money for something they plan for in the future.

At the meeting for the Board of Directors for the Arizona Home Builders Alliance, Treasurer Yee shared about the work of the Financial Literacy Task Force and promoted the AZ529 Plan.

Mr. Ong reported that Girl Scout Day at the Capitol, Treasurer Yee shared her personal journey into public service and how as a former Girl Scout, the organization prepared her for success. She shared about the importance of financial literacy and saving with the AZ529 Plan.

## **VI. Committee Discussion and Next Steps**

Treasurer Yee shared with Committee Member that herself along with Financial Literacy Task Force Member, Sharon Lechter, presented to the State Board of Education in January. They asked the State Board to consider adding a separate, 1-semester personal finance course, that all Arizona high school students must take prior to graduation.

She stated that state law allows the State Board to establish financial literacy requirements, and now is the time for them to act. Treasurer Yee stressed it would still be up to the schools and districts to decide the curriculum and whether they want the requirement included for their math, CTE or required electives. Treasurer Yee wants to ensure maximum flexibility for this required course and the Financial Literacy Task Force is here to help schools successfully implement this requirement.

She thanked members of the State Board, Financial Literacy Task Force and 529 Advisory Committee members for coming to support and testify for our efforts. Ms. Lechter and Treasurer Yee are having great discussions with State Board Members. They anticipate that the State Board will make this an action item at their next Board meeting in April or later this Spring.

Additionally, Treasurer Yee thanked members for sharing about the AZ529 Art Contest. She reported a record number of entries—618 entries, up from 343 entries last year—that were received from every Arizona county and each type of school. She gave a special thank you contest judges, including AZ529 Committee Members—Karen Mensing, David Eaker, Susan Ciardullo and Chris Schoenleb. A total of 15 winners will receive \$529 towards a new or existing AZ529 Plan and will be recognized at an awards ceremony at the State Capitol on April 10<sup>th</sup>.

Treasurer Yee asked the members for additional questions or discussion items.

Ms. Ciardullo asked how marketing has reached out of state families to really help grow the plan among those outside of Arizona. Mr. Ong stated that it was a multi-pronged approach working with a local marketing agency in Phoenix to market across the state as well as working with marketing teams at Goldman Sachs and Fidelity to raise awareness of the AZ529 Plan across the country via social media, conferences and the recent upgrade in Morningstar ratings from Bronze to a Silver rating. Treasurer Yee also noted how the Morningstar rating report

showed the AZ529 Plan receiving top ratings in the people pillar to help more families understand the savings plan.

Mr. Shields asked if there is a focus on in state or out-of-state dollars. Treasurer Yee said the objective is to get more families involved in saving for college. She stated the Treasurer's Office is focused on growing the program statewide because it is a statewide office. But the ones from out of state are coming because of the messaging from the national providers.

Treasurer Yee also mentioned that Goldman Sachs notified the AZ529 Plan of a national marketing effort associated with the Final Four Basketball Tournament in Arizona. She stated that the Office will reach out to members if there are future opportunities to engage.

**VII. Call to the Public**

Treasurer Yee opened the floor for public comment via the Webex chat feature. There was no public comment.

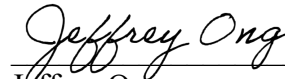
**VIII. Treasurer's Closing Remarks and Notice of Next Meeting**

Treasurer Yee announced the next quarterly meeting is tentatively scheduled for Tuesday, June 25, 2024 at 10 a.m.

**IX. Adjournment**

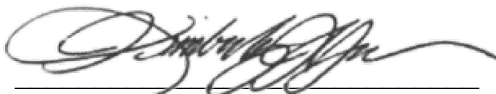
With no further business to discuss, Ms. Christy Burton made a motion to adjourn the meeting. Seconded by Mr. Charlie Shields. The meeting was adjourned at 12:46 p.m.

Respectfully Submitted by:



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Jeffrey Ong  
AZ529 Plan Administrator

Approved by:



\_\_\_\_\_  
Kimberly Yee  
Chair

6/25/24  
\_\_\_\_\_  
Date