

**Minutes of AZ529, Arizona’s Education Savings Plan  
Advisory Committee Meeting  
March 7, 2023**

The quarterly meeting of the AZ529, Arizona Education Savings Plan Advisory Committee (Committee) was held on March 7, 2023, via Webex and in-person. Treasurer Yee called the meeting to order at 10:09 a.m.

**Members Present:**

The Honorable Kimberly Yee, Chair, Arizona State Treasurer  
Maria Baier, Vice President of External Affairs, Great Hearts America  
Christine Burton, Co-Founder, Burton Family Foundation  
David Eaker, Campus President, The Refrigeration School  
Karen Mensing, Technology Integration Facilitator, Paradise Valley Unified School District  
Gary Schleuger, Vice President of State Government Affairs and Relations, University of Phoenix

**Members Absent:**

Keith Alexander, Special Assistant to the President for Community & Government Relations,  
Eastern Arizona College  
Dr. David Doré, President of Campuses and Executive Vice Chancellor, Pima Community College  
Len Munsil, President, Arizona Christian University  
The Honorable Shaandiin Parrish, Council Delegate, Navajo Nation  
Dr. James Rund, Senior Vice President for Educational Outreach and Student Services,  
Arizona State University

**Others Present:**

Mark Swenson, Deputy Treasurer, ASTO  
Jeffrey Ong, AZ529 Plan Administrator, ASTO  
Alyssa Koury, Public Information Officer, ASTO  
Nick Barnhiser, Financial Systems Administrator, ASTO

- I. Treasurer’s Welcome and Opening Remarks**  
Treasurer Yee called the March 7, 2023, quarterly meeting to order at 10:09 a.m. Treasurer Yee welcomed the Committee members and staff attending the meeting via Webex and in-person.
- 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 6, 2022 Committee Meeting**  
Christine Burton moved that the December 6, 2022 Committee meeting minutes be approved as distributed. Seconded by Gary Schleuger. Motion carried unanimously.

#### **IV. Marketing Update and Outreach for 529 Day**

Treasurer Yee asked Christine Korecki from Davidson/Belluso to present outreach and marketing strategies to promote the AZ529 Plan for National 529 Day.

Ms. Korecki outlined the goals were to raise awareness in Arizona about the value of planning and saving for higher education, celebrate and encourage opening an AZ529 Education Savings Account and promoting the first baby born on 529 Day campaign.

She also outlined the plans for public relations and social media efforts with Banner Health to promote the first baby born on 529 Day in Maricopa County.

Additionally, Ms. Korecki outlined the digital and print advertising efforts for May. She noted that 60% of funds were devoted to English advertising and 40% is focused on Spanish advertising, which remains the most engaged audience. She noted that PBS is a new digital advertising partner.

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

Treasurer Yee noted that in just over 28 months, since the AZ529 Plan transferred from the Postsecondary Education Commission to the ASTO, there were 25,939 new AZ529 accounts with total plan assets at \$1.87 billion, an increase of 15.5%. She also noted that the AZ529 Plan continues to outreach to new families.

Treasurer Yee asked Mr. Ong to provide an AZ529 Plan Performance Update. Mr. Ong stated that total AZ529 Plan Assets Under Management as of January 31, 2023-- were \$1.87 billion, reflecting a downturn in the markets over the last year. Total AZ529 Accounts in January were up 3.6% Year Over Year to 101,562.

Mr. Ong noted the numbers reflect the first quarterly transition of accounts from College Savings Bank to Fidelity Investments on December 1, 2022. As of this date, 1,563 total accounts were transferred to Fidelity, representing just over \$24.77 billion in assets. He noted that CSB decided to exit the 529 program manager business and all Honors Savings Accounts will be transitioned to Fidelity Investments on a quarterly basis. Arizona residents held 50.5% of total Assets and 56.2% of total Accounts, with the rest held by Non-Residents.

Additionally, Fidelity remains the largest AZ529 provider, with 66.3% of Assets and 67.1% of Accounts. Goldman Sachs 529, is the second largest provider, holding 33.2% of Assets and 32% of Accounts. As it winds down its AZ529 operations, College Savings Bank holds the remaining 0.5% of Assets and 0.9% of Accounts after that first quarterly transition.

Mr. Ong also shared with the Committee that just a week before the meeting, CSB had its 2<sup>nd</sup> quarterly transition of accounts to Fidelity Investments with 139 accounts and just over \$836.6 million in assets transferred.

Finally, Mr. Ong provided a marketing update on the AZ529 Plan. For January's complete advertising efforts, there were just 430,000 total impressions including 382,000 total clicks on AZ529 advertisements, and an average of .89% clicks per month or click through rate. January's advertising efforts overdelivered impression goals in every tactic, including pre-roll, social media, retargeting and display ads, and overall, by 7%. And the Spanish-speaking audience remained the most engaged audience, delivering a .95% click through rate.

For social media, Mr. Ong reported there were just over 230,000 total impressions, 1,960 total clicks and a .85% click through rate. January overdelivered impression goal by 19,687. Instagram with 1.54% CTR delivered a more engaged audience compared to Facebook at a .49% CTR.

In January, Treasurer Yee welcomed members of the Gila Valley Leadership Class. This included AZ529 Plan Advisory Committee Member, Keith Alexander. The Treasurer shared how the Financial Literacy Task Force is working in communities across the state to bring financial education to all citizens. For the Financial Planning Association of Greater Phoenix, the Treasurer discussed the close ties between financial planning and financial literacy and talked about the importance of promoting education savings with the AZ529 Plan.

In February, at the Creighton Family Resource Center, the AZ529 Plan outreaching to families in the Spanish-speaking community to encourage them to save with the AZ529 Plan. Many families and children stopped by and were interested in starting a savings plan. During the Childhelp Arizona Advisory Board Meeting, Treasurer Yee presented to fellow board members on how our office is continuing to promote financial education to Arizona's youth and how families can continue saving for education with the AZ529 Plan.

Additionally, Treasurer Yee met with engaged and motivated high school TeenPact Leadership Schools students at the State Capitol. She shared about the importance of saving for education and spending wisely as these students plan for their futures.

Finally, Mr. Ong thanked members for promoting the AZ529 Future Career Art Contest. The contest received over 340 entries from students representing district, charter, homeschool, private and tribal schools. He reported that Treasurer Yee visited a 4<sup>th</sup>-grade class at Capitol Elementary School to lead an art project for students to draw their dream jobs and get them excited about entering the art contest. She also visited with 4<sup>th</sup>-grade art students at Madison Traditional Academy.

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

Treasurer Yee updated the Committee that the Financial Literacy Task Force is working with Superintendent Horne to look into additional financial literacy course work in high school and also the elementary grade levels.

Additionally, Treasurer Yee mentioned that the AZ529 Future Career Art Contest just concluded, and 14 winners will be selected. A total of 341 online entries were received and

the winners from district, charter, homeschool, private and tribal schools will be selected and announced at an awards ceremony at the State Capitol on March 28, 2023.

Treasurer Yee also shared that plans and events are in the planning process to recognize April as Financia Literacy Month and in May for National 5/29 Day.

**VII. Call to the Public**

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

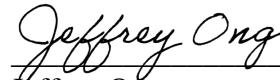
**VIII. Treasurer’s Closing Remarks and Notice of Next Meeting**

Treasurer Yee announced the future quarterly meetings for June 6<sup>th</sup>, September 12<sup>th</sup> and December 5<sup>th</sup>.

**IX. Adjournment**

With no further business to discuss, Christine Burton made a motion to adjourn the meeting. Seconded by Maria Bauer. The meeting was adjourned at 10:36 a.m.

Respectfully Submitted by:



\_\_\_\_\_  
Jeffrey Ong  
AZ529 Plan Administrator

Approved by:



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

6/6/23

\_\_\_\_\_  
Date