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College Tuition Savings Plan Advisory Commission
Minutes of Meeting Held: October 4, 1999
State House, Room 103 – Moved to State House Cafeteria

The twenty sixth meeting of the College Tuition Savings Plan Advisory Commission (the Commission) was called to order at 10:10 a.m., with Chairman Senator Larsen presiding. The following Commission members were present which resulted in a quorum:

<u>Member</u>	<u>Represents</u>
Michael A. Ablowich	Budget Director, Office of Governor, Representing the Governor
Mike Cryans	Public Member from Hanover Appointed by the Governor
Richard A. Gustafson	President, New Hampshire College, Representing College and University Council
Sylvia Larsen	Senator from Concord
Ingrid Lemaire	Director of Public Relations, NH Higher Education Assistance Foundation
Mary Milliken	Business Administrator, Representing Regional Community Technical College System
Georgie A. Thomas	State Treasurer, Treasury Department
O. Alan Thulander	Representative from Frankestown

The following members were absent:

Martha Gooze	Public Member from Durham Appointed by the Governor
Edward Gordon	Senator from Bristol
Edward MacKay	Vice Chancellor for Budget and Planning, University System of New Hampshire
Hannah M. McCarthy	President, Daniel Webster College, Representing Postsecondary Education Commission
Andrew R. Peterson	Representative from Peterborough

The first item on the agenda was the minutes of June 7, 1999. Georgie A. Thomas moved to approve the minutes, seconded by Mike Cryans. The minutes passed unanimously.

The next item discussed was the intermediary plan. David Pearlman, legal counsel for Fidelity, reported that the intermediary plan is still in the development phase and needed to be discussed with

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the IRS. However, he did not feel that the Intermediary Plan would hinder our current request for a private letter ruling on the Unique Plan. Ed Nigro of Fidelity Investments stated that the Fidelity intermediary market currently held \$320 Billion in assets. He anticipated a start date by spring of 2000

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for the intermediary plan. He was looking for a decision whether to proceed into this marketplace from the Commission. Richard Gustafson moved for Fidelity to proceed with their research on establishing an intermediary college savings plan. Ingrid Lemaire seconded the motion. The motion passed unanimously.

Georgie A. Thomas then discussed the process for retention of an audit firm for the Unique Plan. Georgie explained that the Legislative Budget Assistant Office must retain the auditor. Price Waterhouse is Fidelity's auditor and would probably be the lowest cost, as they are familiar with the Fidelity accounting system. Price Waterhouse also is the auditor for the Massachusetts U Fund. The New Hampshire audit report is to be included with December 1999 mailing to Unique Plan members. It was reported that the Unique Plan would not be included in the 1999 Comprehensive Annual Financial Report for the State of New Hampshire.

Abram Claude of Fidelity, updated the commission on the letter that was received from the US Department of Education regarding the financial aid treatment of the Unique Plan. As account owner, the parent, the Unique Plan account is treated as an asset of the parent, a favorable response for financial aid purposes.

An endowment subcommittee was established, scheduled to meet October 27, 1999 at 3:30 p.m. The electronic service agreement was discussed as to whether to set up a subcommittee meeting on the updating of that agreement. Richard Gustafson thought that all technical changes should be through the Treasurer's Office subject to commission approval. A motion was not determined necessary. The next full commission meeting was set for December 13, 1999 at 9:00 a.m. The meeting adjourned at 11:35 a.m.