New Hampshire College Tuition Savings Plan Advisory Commission
Minutes of the Meeting of March 4, 2013

The March 4, 2013 meeting of the New Hampshire College Savings Plan Advisory Commission (Advisory Commission), held at the offices of the New Hampshire Higher Education Assistance Foundation in Concord, was called to order at 10:00 a.m. by Dr. Edward MacKay, Advisory Commission Chair.

Members present, constituting a quorum, were:

Edward MacKay (Chair)	Chancellor, University System of New Hampshire
Michael Cryans	Public Member, appointed by the Governor
Ross Gittell	Chancellor, Community College System of New Hampshire
Linda Hodgdon	Commissioner of Administrative Services Dept., representing the Governor
Thomas Horgan	President & CEO, representing the New Hampshire College and University Council
Tara Payne	Vice President, representing the NH Higher Education Assistance Foundation Organizations
Catherine Provencher	State Treasurer

Participating by telephone:

Thomas Galligan, Jr.	President, Colby-Sawyer College, representing the Higher Education Commission – Dept. of Education

Members absent were:

Jeanie Forrester	State Senator
Martha Gooze	Public Member, appointed by the Governor
Sylvia Larsen	State Senator
H. Robert Menear	State Representative
Lynne Ober	State Representative

Also present at the meeting were Rachael Bradley from PricewaterhouseCoopers and Keith Bernhardt, Joe Cullen, Kyla Doyle, Matt Golden, Chris Sharpe, and Allan Telenko from Fidelity Investments (Fidelity), Richard Mahoney of the LBA Audit Division, Amy Bourgault of the Community Colleges of New Hampshire Foundation, and Bill Dwyer from the State Treasury.

Review of Prior Meeting Minutes

Minutes of the November 5, 2012 regular meeting were reviewed and presented for approval by Dr. MacKay. Approval was moved by Mr. Cryans and seconded by Commissioner Hodgdon. The motion passed unanimously.

Old Business

There were no open issues to be addressed by the Advisory Commission.

Review of 2012 External Audit

Richard Mahoney introduced Rachael Bradley of PwC, who oversaw the completion of the annual external audits of each of the 59 portfolios (consisting of 36 retail and 23 advisor-sold portfolios) within the UNIQUE College Investment Plan and the Fidelity Advisor 529 Plan. The audits were as of, and for the year ended, September 30, 2012. Mr. Mahoney noted that the LBA has signed an engagement with PwC to conduct the Plan audits through fiscal year 2015.

Ms. Bradley presented the results of the independent audits of both Plans. Audit work relating to Fidelity’s internal controls focused on the daily unit value process, the rebalancing process, participant transactions (including new account set-ups and remittances), and the multi-class accounting. The audit team also relied on the independent SSAE 16 audit report (Statement on Standards for Attestation Engagements No. 16), as it related to Fidelity systems and controls, prepared by PwC.

Audit work relating to the financial statements included investment valuation of the underlying funds, proper accounting for fees and expenses, confirmations with the recordkeeping agent, and the appropriate financial statement disclosures and presentation. All financial statements received unqualified opinions and there was only one capital gains distribution classification adjustment proposed by PricewaterhouseCoopers that was subsequently processed by Fidelity. The proposed adjustment was strictly at the Fidelity financial statement level and not at the participant account level. Ms. Bradley reported that the statutory communications requirement with the State’s Legislative Fiscal Committee was satisfied during a Fiscal Committee meeting on February 1, 2013.

Ms. Bradley described the many items requiring communications with the Advisory Commission and stated that the financial statements were prepared on the basis of the Financial Accounting Standards Board (FASB). Ms. Bradley also reported Fidelity and the Plans’ Trustee provided full cooperation in the conduct of the audit, that no illegal or fraudulent acts were identified, and that no significant deficiencies in the internal controls were noted. In response to a question from Treasurer Provencher, Ms. Bradley explained that the audit opinion was being provided at the individual portfolio level for each of the 59 portfolios rather than at an aggregate Plan level.

Commissioner Hodgdon moved and Mr. Cryans seconded a motion that the audit reports be accepted, and the motion passed unanimously.

Summary of Investment Committee Meeting

Dr. MacKay presented an overview of the Investment Committee meeting with the Fidelity team (which preceded the general meeting), highlighting the fact that in the active age-based portfolios Fidelity is in the process of assessing allocations to asset classes that differ from the various composite benchmarks. More information on this evaluation will be forthcoming at future meetings. Mr. Cullen added that 2012 was a strong year for the active portfolios relative to their benchmarks due to slight differences in asset allocation and underlying fund performance.

During the Investment Committee meeting that preceded the general meeting, Mr. Telenko presented the Competitive Analysis, providing several illustrative examples of competitors highlighting that, as is always the case, specific asset allocation is a key driver in determining quarterly performance results derived by the plan's competitors. In the 1-year time horizon for active age-based portfolios, Fidelity has generally performed in line with T. Rowe Price, USAA, and Schwab (Moderate Portfolio) while outperforming Franklin Templeton (Moderate Portfolio). In the 3-year segment Fidelity underperformed T. Rowe Price, Schwab, and USAA, while outperforming Franklin Templeton (Growth Portfolio). In the 5-year timeframe Fidelity has underperformed against all four competitors.

In terms of 1-year results in the age-based index segment, Fidelity generally performed in line with Oppenheimer, Vanguard (NY Moderate Portfolio), and Vanguard (NV Moderate Portfolio). In the 3-year timeframe Fidelity outperformed Oppenheimer while generally performing in line with the other competitors. Lastly, Fidelity underperformed all four competitors in the 5-year horizon in its index portfolios.

Dashboard Review as of December 31, 2012

Dr. MacKay provided the semi-annual review of the College Savings Plan Dashboard Report as of December 31. This report presents the State's 529 Plan historical and forecasted account management fees, actual fee revenue received, and projected participant account balances, as well as a historical analysis of the Endowment Trust Fund and scholarship information. Dr. MacKay described the various historic trends and future projections that inform the Advisory Commission in its decision-making capacity, particularly with respect to scholarships.

Of significant note in the report was the dramatic decline in UNIQUE Annual Awards to qualified New Hampshire students as a result of HB 2 (budget bill) for the 2012-13 biennium. Dr. MacKay noted that $4.1 million in Annual Award scholarships were distributed to nearly 5,900 students during the 2010-11 academic year and that the number had dropped to $82,500 in scholarships to 165 students for the 2011-12 academic year. This information provided an essential context for the Advisory Commission's subsequent discussion of UNIQUE scholarship program proposals for the upcoming 2014-15 budget. The UNIQUE Endowment Awards program presented a more positive outlook, as nearly $2.3M in Endowment Awards were distributed to qualified New Hampshire students during the 2011-12 academic year, the highest amount in that program to date.

Update of Endowment Trust Fund and Scholarship Disbursements

The Endowment Trust Fund and scholarship update report, for the quarter ended December 31, 2012, was submitted by Treasurer Provencher. The Endowment Trust Fund had a balance of $2.871 million as of quarter-end, 5.7% lower than the $3.043 million fund balance at the beginning of the fiscal year due to the Annual Endowment Allocation distribution prior to year-end as noted below. Fiscal year 2013 interest and dividend earnings and net market gains/losses totaled $122,880, and fee revenues collected were approximately $5.17 million. Fiscal year 2013 reimbursements to the General Fund (out of management fees received) for appropriation payments made to USNH and CCSNH totaled approximately $4.77 million. As approved by the Commission at the July 25, 2011 meeting, a $500,000 UNIQUE Endowment Allocation to the State's private colleges and universities was distributed on December 15, 2012. Year-to-date administrative expenses totaled approximately $191,000, reflecting $176,400 paid toward the annual audit fee of $242,400, Treasury overhead allocations of $10,800, and annual membership dues for the College Savings Plan Network of $4,000.

UNIQUE 2013-14 Annual Allocation Program Scholarship Award Decisions

Pursuant to Administrative Rule Csp 602.01, the Advisory Commission is required to establish annually, during the first meeting of the calendar year, certain student eligibility and award criteria for scholarships for the UNIQUE Annual Allocation Program for the upcoming academic year (2013 – 2014). The purpose of making these decisions at this time of year is so that the colleges are notified and can begin planning and communicating their financial aid programs for the next academic year, and initiate awards on a timely basis.

During the 2011-2012 academic year $82,500 was reimbursed to three private colleges for awards to 165 financially-challenged New Hampshire residents. In the current academic year the total dollar amount and number of students projected to receive Annual Program scholarships are unknown due to the significantly reduced Endowment Trust Fund base from which scholarships can be funded. Participating colleges and universities were notified in January 2012 that awards for the current academic year would be distributed just after July 1, 2013 on a "best efforts" reimbursement basis at a maximum of $500 per student, to the extent earnings in the Endowment Trust Fund can support scholarships at that level. If Fund earnings are not adequate to provide individual scholarships at that level, there will be partial scholarship reimbursements to participating institutions at a reduced, uniform, per-scholarship amount. Any awards made by the institutions to qualified students during the academic year will be at the risk of each institution, with the Advisory Commission held harmless. In addition, only the private institutions were eligible to participate in the UAAP in the 2011-12 and 2012-13 academic years, with the fiscal year 2014-15 biennial budget currently being drafted by the Governor and legislature (described and discussed in detail following the 2012-13 academic year awards criteria listed below).

The criteria for the 2012-2013 academic year are as follows:

1. Initial Allocation Amount – No initial allocation amount disbursed to colleges in July 2012 due to legislative changes affecting the Endowment Trust Fund.

2. Expected Family Contribution (EFC) Cap – The EFC cap used for student eligibility was $1,000.

3. Individual Scholarship Award – Individual scholarships were set at $500 maximum per student on a reimbursement basis to participating institutions, as described above.

4. Guarantee for Reimbursement of Awards – Historically the Advisory Commission has informed the Program participants that they will be reimbursed for any awards made to eligible students in excess of the initial allocation made to them. As noted, there was no initial allocation and there is no guarantee of reimbursements for Annual awards.

5. Deadline for filing the federal Free Application For Student Aid (FAFSA) – To be eligible for a student award for the 2012-13 academic year, a FAFSA for the student had to be received on or before December 31, 2012.

Noting that the State of New Hampshire is the only state with no grant program currently in place, Dr. MacKay presented a summary of Governor Hassan's current proposal for the use of 529 account management fee income in the 2014-15 biennium:

1. To pay audit and administrative costs associated with the UNIQUE programs in the total amount of approximately $300,000;
2. To allocate funds for contributions to public and private university restricted endowments in the total amount of $625,000 (with subsequent payouts from those endowments used solely to support needy New Hampshire students);
3. To reestablish the State Incentive Grant Program, with an allotment of $1 million in fiscal year 2014 and $3 million in fiscal year 2015; and
4. To provide a portion of operating support to USNH and CCSNH using the remainder of management fee income, with an allocation of 70% to USNH and 30% to CCSNH.

Dr. MacKay noted that the Governor's proposal for the Incentive Grant Program would house the administration of the program in the Higher Education Commission of the Department of Education, with the need to hire a part-time staffer budgeted at $35,000 from the General Fund. After conferring with the New Hampshire College and University Council Board on February 19, Dr. MacKay contacted Gerard Murphy, Governor Hassan's Budget Director, to propose that the administration and distribution of need-based grants be overseen by the Advisory Commission using the former UNIQUE Annual Awards process managed in the State Treasury. Mr. Murphy appeared to respond favorably to this proposal, and Treasurer Provencher noted that she would also speak with Mr. Murphy to express her support. In order to formalize Advisory Commission support of this proposal, a motion in favor of the recommendation was offered by Treasurer

Provencher, seconded by Mr. Horgan, and passed unanimously. Dr. MacKay believes that such an amendment to the Governor's budget has an excellent chance of adoption. As a final comment regarding the proposed Incentive Grant Program, President Galligan pointed out that while New Hampshire has already lost grant reciprocity with the State of Maine, it is unlikely that the State of Connecticut and the State of Massachusetts would revoke their reciprocity.

Dr. MacKay went on to explain that the Advisory Commission still needs to evaluate whether and to what extent the Endowment Trust Fund can be used to augment the Governor's proposed grant funding via the UNIQUE Annual Awards Program, subject to the final approved biennial budget and any associated restrictions and conditions. The Fund is projected to have a balance of $3 million at the end of fiscal year 2013, and Dr. MacKay pointed out that if no scholarship awards are drawn from the Fund, the maximum amount of scholarship awards in fiscal year 2014 will remain relatively low at $1 million (the proposed amount of Incentive Grant awards). As a basis for comparison, during the 2010-11 academic/fiscal year (the last year that the full UNIQUE awards programs were in place) nearly 5,900 in UNIQUE Annual Awards totaling $4.1 million were distributed to qualified New Hampshire students at a maximum individual scholarship amount of $1,000. Part-time students are eligible to receive a pro rata share of the maximum scholarship amount, which is the reason the total distribution in that year did not reach $5.9 million. If the same number of students were eligible for awards during the 2013-14 academic year, and with only one quarter of the funds distributed during 2010-11, the prudent maximum individual award amount would have to be limited to approximately $250. Even at that maximum, it is possible that awards payouts for 2013-14 could exceed $1 million if all students were eligible for full-time attendance scholarships. Dr. MacKay presented one alternative for fiscal year 2014 of setting a maximum scholarship amount of $300, with the "hold harmless" guarantee providing an assured reimbursement to those institutions whose awards payouts over the year exceeded what was anticipated, which would result in a reduced depletion of the Trust Fund balance. Dr. Gittell noted that fiscal year 2015 would provide some funding relief due to the proposed $3 million allotment of Incentive Grants in the Governor's budget.

The Advisory Commission discussed these issues in greater detail, with Mr. Cryans asking whether it was reasonable to offer the colleges a total of 2,000 scholarships at an amount of $500 each in order to limit the 2014 payout to $1 million. Dr. MacKay pointed out that such an approach would essentially reduce the program to a "first come-first served" model that would put the colleges at risk for awards that could not be reimbursed. Treasurer Provencher asked about the impact of a reduction in the EFC to zero from the current maximum of $1,000, thereby limiting the population of eligible students. Ms. Payne supported that idea and also suggested that the deadline for filing the FAFSA could be moved forward to August 31 rather than December 31, which would have a similar effect. She also noted that a change in the federal methodology for calculating the EFC has made it more difficult to arrive at an EFC of zero. Dr. MacKay asked the Fidelity team about its methodology for estimating future management fee revenues, and Mr. Golden responded that Fidelity typically forecasts an increase in the S&P 500 for planning purposes only, and has incorporated those growth projections into the 2014 and 2015 asset projections, which would increase 529 account values and the resulting fees. However this growth would be partially offset by a higher redemption rate as the Plan matures and a greater percentage of participants begin sending children to college. Mr. Bernhardt also noted that the age-based active participant fee was reduced from 30 basis points to 20 basis points at the end of 2009 in order to bolster the Plan's competitiveness.

With all of these considerations in mind, the Advisory Commission agreed to table any decisions regarding specific criteria for the UNIQUE Annual Awards program for the 2013-14 academic year until the May 20 meeting, at which time more will be known regarding both the Governor's and the legislature's biennial budgets. In spite of the need for the colleges to begin constructing their financial aid packages this spring, there were no decisions made regarding:

1. The individual maximum award amount for eligible students;
2. The maximum EFC;
3. The FAFSA filing deadline;
4. Any initial allocation amount disbursed to colleges at the beginning of fiscal year 2014; and
5. Any guarantees of reimbursements for Annual awards.

The State Treasurer will notify all participating colleges, in a communication dated early March 2013, that the UNIQUE Annual Awards criteria will not be determined prior to May and that it is likely the 2013-14 awards criteria will result in a reduced per scholarship maximum with more stringent qualifying criteria in place.

New Hampshire's 529 Program & 529 Plan Industry Update

Mr. Golden presented the fourth quarter 2012 program and industry update. Total 529 Plan market-valued industry assets as of December 31, 2012 increased 3% from the previous quarter, and New Hampshire's UNIQUE and FA 529 plans combined increased by 1.3% for the same quarter. The rate at which state 529 plans grow or decline in any given quarter is largely determined by asset mix, which accounts for the varying growth rates among the top ten plans, and Mr. Golden explained that the slower growth in the NH Plan relative to other state plans was due to slightly better quarterly performance in the index fund niche, where firms such as Vanguard saw a higher growth rate in the New York, Nevada, Ohio, and Utah plans. The New Hampshire Program remained the 3rd largest plan in the country in asset value as of December 31, 2012 with \$11.3 billion in assets (at market value) and approximately 6.7% of the industry's market share. New Hampshire followed Virginia (\$37.6 billion in assets) and New York (\$14.3 billion in assets) and was ahead of 4th place Nevada (\$10.1 billion in assets). The Nevada plan solidified its position in the rankings as a result of its low-cost, index plan administered by Vanguard. The State of Virginia College America 529 Plan's administrator, American Funds, holds a 42% market share in the advisor-sold niche and recently added target date funds to its asset mix, underscoring the importance of these funds in the Fidelity 529 lineup. The Virginia plan also benefits from very favorable in-state tax treatment.

Mr. Golden stated that as a result of low market interest rates, the money market portfolios' returns were, at times, exceeded by portfolio fees and expenses. The Advisory Commission therefore authorized Fidelity, at its request, to waive certain fees for both the UNIQUE direct and the FA 529 Advisory plans to prevent negative returns on each plan's money market portfolio. This practice has been in effect since late 2009 due to the historically low interest rate environment. Total waived fees for all of 2012 totaled $778,607.

On the national regulatory front, Ms. Doyle explained that there was very little legislative movement prior to year end due to general elections in the fall and the ongoing focus on the budgetary fiscal cliff. H.R. 529 (promoting college savings plans among low to moderate income families) has been backed by 28 cosponsors, but deficit concerns and anticipated tax reforms are limiting sponsorship for this type of legislation. The lack of a "vehicle" and the anticipated cost also precluded any legislative progress in 2012. "ABLE" Act legislation, which was drafted in November in both the House and Senate, includes tax-advantaged savings accounts for individuals with disabilities under Section 529 and allows the savings to be used to fund both college-related expenses and "quality-of-life" support. As of year-end, the bills had found 235 and 40 cosponsors in the House and Senate respectively, as the disability community continues to work actively to promote the legislation. The General Accountability Office (GAO) study of the treatment of 529 plans was concluded and findings released at year-end, with industry research provided by the College Savings Plan Network (CSPN), the College Savings Foundation (CSF) and the Financial Research Corporation (FRC). According to Ms. Doyle, the study focused on three primary areas: 1) the demographics of those families participating in 529 college savings plans; 2) factors affecting such participation; and 3) the impact of 529 savings on financial award packages offered by colleges. Without making any specific recommendations, the study concluded that not enough families are taking advantage of the tax benefits of 529 savings and those who do tend to be wealthier families. Mr. Bernhardt pointed out that the sample size for the survey was skewed by factors such as the inclusion of families with adult children up to the age of 25. As a result of the study, there is a growing concern that 529 college savings plan may become a target for tax reform in the coming years.

Key program enhancements to the UNIQUE plan for 2012, as summarized by Ms. Doyle, included the late June launch of the redesigned College Planning website in order to streamline navigation and create an additional "landing zone" for marketing the UNIQUE Plan. Other initiatives for the year included an e-mail communication designed to increase participation in "BillPay for 529", as well as promote awareness of money market account features and the autumn portfolio review communication. During the year there were numerous changes to the fund lineups in the multi-firm, UNIQUE (direct sold), and FA 529 (advisor sold) plans throughout 2012, all of which have been described in the minutes of prior meetings. Fourth quarter fund changes in the multi-firm lineup included the addition of the Fidelity Mega Cap Stock Fund, the Oppenheimer Main Street Fund, and the Natixis AEW Real Estate Fund, with the removal of the DWS Core Equity Fund. Lastly, the FA 529 omnibus recordkeeping/networking initiative is expected to launch in 2014.

UNIQUE College Investing Plan Review

Ms. Doyle reported that as of December 31, 2012 UNIQUE retail plan assets totaled $7.75 billion in market value, consisting of 461,324 participant accounts and comprising a 9% market share, second among plans in the direct-sold segment. She noted that the 53% share of industry assets in age-based portfolios registers significantly lower than Fidelity's 81% as of December 31. The UNIQUE Plan also exceeds the industry average at 57% of participant accounts enrolled in automatic contributions at year end, compared to 29% of industry accounts.

New accounts grew by 10,659 in the fourth quarter, with the number of new accounts decreasing by 0.5% compared to the same quarter in 2011. The average account size of a UNIQUE portfolio was $21,647 as of December 31, compared to the average account size in the industry of $15,075. Contributions for the fourth quarter of 2012 totaled over $265 million and exceeded fourth quarter 2011 contributions by 13%, with the month of December registering the highest contribution level in Plan history. The average monthly new account and existing account contributions in the fourth quarter were $4,740 and $159 respectively, with the same metrics for NH residents registering $2,661 and $258 respectively.

Participants residing in New Hampshire are 5th out of all states at 5.02% of total accounts in the retail Plan and follow Texas (12.26%), California (11.32%), New Jersey (8.00%), and Florida (5.89%). The average balance of a UNIQUE participant residing in New Hampshire is $20,285. With respect to assets under management in the UNIQUE Plan, New Hampshire ranked 7th, trailing California, Texas, New Jersey, Florida, Illinois, and Pennsylvania.

At the end of the fourth quarter of 2012, 81% of the UNIQUE retail participant assets were held in age-based portfolios with 13% in static portfolios, and the remaining 6% in individual and bank deposit portfolios. During the fourth quarter, 88% of net flows were into age-based portfolios (including 17% for multi-firm portfolios), 6% into static portfolios, and the remaining 6% into individual and bank deposit portfolios on a net basis. Through the fourth quarter of 2012, the College aged-based portfolio, both actively managed and index portfolios, experienced negative net cash flow at the rate of 51.01% and 2.22% of all portfolio cash flows respectively as funds were redeemed to pay college costs. This was also the case for the 2012 active age-based portfolio, with outflows constituting 33.65% of all cash flows year to date. The Money Market portfolio has experienced cash outflows at the rate of 4.71% of all portfolio cash flows, while the Bank Deposit portfolio has undergone cash outflows at 1.13% of all portfolio cash outflows, both believed to be caused by investor confidence returning and funds moving to higher-return investments. In addition there were nominal declines in assets in both the active Moderate Growth and Conservative funds.

Ms. Doyle reported that Fidelity Investments American Express credit card rebates for the fourth quarter 2012 totaled nearly $5 million in rewards flows deposited into the UNIQUE Plan, with almost $30 million in rewards to 529 participants and non-529 participants over the past 15 months.

Ms. Doyle also presented nationwide marketing efforts completed in 2012, including print advertising in local newspapers and magazines with both local and national circulation such as Money Magazine and several popular parenting and family magazines. Outreach efforts in 2012 also included such "one-off" initiatives as the 6th annual College Savings Indicator study, the mid-year portfolio review to ensure participants are investing appropriately based on their objectives, the year-end holiday gifting e-mail campaign encouraging all Fidelity customers nationwide to give the gift of education, ongoing communications to UNIQUE participants highlighting Plan service enhancements, and local events such as the "I Can Save" program, "UNIQUE Peek Into Books", and Fidelity's annual sponsorship day at Storyland.

Fidelity Advisor 529 Plan Review

Mr. Golden reported that the Fidelity Advisor 529 Plan (FA 529 Plan) had $3.58 billion in market-valued assets under management at year-end 2012 distributed over nearly 199,000 participant accounts. Partly as a result of rollovers from other state 529 plans, 45.3% more new accounts were opened throughout 2012 than in 2011, with 41.1% more in relative contributions for these same periods.

New Hampshire residents maintained a ranking of 20th in the number of accounts in the advisor-sold plan at approximately 1.47% of all accounts. Residents from California (13.14%), Texas (7.85%), Massachusetts (6.96%), Pennsylvania (5.74%), and Florida (5.35%) constituted the top 5 in the plan at the end of 2012. The average account size in the advisor-sold plan was $17,986, with New Hampshire residents averaging $17,440 in account balances.

For all of calendar 2012, net outflows occurred in the age-based College Portfolio at the rate of 16.2%, as participants began and continued their redemptions for college expenses. Seventy-three percent of all FA 529 assets were held in age-based portfolios with 19% in individual portfolios and the remaining 8% in static portfolios, although by contrast 33.8% of 2012 net flows have gone into the individual portfolios.

Mr. Golden submitted an overview of the integrated marketing effort on the part of the FA 529 Plan throughout the year. The initiative combines elements such as e-mail surveys and informational communications, press releases, and interviews highlighting the need for college savings, with sales support, website promotion, client meetings, marketing promotion, and sales interaction augmenting these efforts. Three new campaigns created during the year were e-mail initiatives with the themes of "Tax Advantages", "Build Wealth", and "Many Ways to Save". Mr. Golden also presented detailed results of these three campaigns, launched in September, October, and November respectively. The results of the earlier two campaigns were described during the November 5 Advisory Commission meeting, so the November "Many Ways to Save" outreach was highlighted. Over 71,000 e-mails were distributed to financial advisors, with 8,607 e-mails opened (12% open rate), and 62 "click-throughs" (0.7% click-through rate). An open rate of greater than 10% is considered successful for this type of campaign. Mr. Golden explained that the reason for the very low click-through rate was the fact that the e-mails did include a link to the Fidelity website, however the link was not highlighted in a different color, which was an oversight on the part of the marketing team and will be prevented in future e-mail promotions.

One other state's plan continues to utilize Fidelity funds on an investment-only basis, with $3 million in market-value assets as of December 31, 2012:

Nevada (Putnam - $3 million since inception in October 2010)

The SC 529 plan, administered by Columbia Management, will add two Fidelity funds for investment management in the first or second quarter.

Review of Other Items

There were no other items to be reviewed by the Advisory Commission.

Hearing no additional new business, Dr. MacKay adjourned the meeting at 11:45 a.m.

NOTE: The next regular meeting is scheduled for Monday, May 20, 2013 beginning at 10:00 a.m. at the New Hampshire Higher Education Assistance Foundation in Concord. There will be no Investment Committee meeting.