

**Missouri Higher Education Savings Program  
Minutes of the MOST Board Meeting**

State Capitol Building, Room 227  
Jefferson City, MO  
March 20, 2006

**Item I: Call to Order**

Chairperson Steelman called the meeting to order at 10:30 a.m.

**Item II: Roll Call**

Board members present were Sarah Steelman, Rep. Sally Faith, Thomas Baumgardner, Rich AuBuchon (proxy for Mike Keathley), Greg Fitch, John Klebba and Eric McClure (proxy for Greg Steinhoff). Other attendees included:

- Jim Matchefts of the Department of Higher Education
- Doug Gaston, Jane Dudeck and Mark Mathers of the State Treasurer's Office
- Mary Lehman of TIAA-CREF
- Marshall Wilson of Husch & Eppenberger
- John Heywood of Vanguard
- Jim Fadule, Liz Robinson and Mark Chapleau of Upromise

**Item III: Approval of Minutes**

Mr. Baumgardner moved the minutes from the December 13th and December 30th open and closed session meetings be approved. Mr. Klebba seconded the motions, and the motions passed.

**Item IV: Update on Conversion**

Mr. Fadule introduced Ms. Robinson and Mr. Chapleau of Upromise and Mr. Heywood of Vanguard. Upromise provided a timeline of the transition to the Board. Ms. Robinson then reviewed the steps taken for the new MOST marketing plan including:

- Survey process of potential participants in five areas of the state
- Direct Plan conversion newsletter
- Web layout for the pre-conversion website
- Marketing Plan efforts with Fleischmann-Hillard
- Advisor Plan conversion newsletters and enrollment packet
- Upromise loyalty program

Mr. Fadule mentioned the efforts to enroll Schnuck's and Deerberg's grocery chains in the Upromise loyalty program and the possibility of increased marketing for the

MOST program. Board members inquired about the possibility of partnerships with Associated Grocers, Wal-Mart, Walgreens and Starbuck's. Mr. Fadule indicated that previous efforts had been made with Wal-Mart and others, but he promised to touch base with the companies mentioned.

Mr. McClure reiterated his desire to review Upromise's financial statements. It was agreed that a conference call would be set up to conduct this review with Mr. McClure, Upromise and State Treasurer's staff. Mr. Fitch inquired about the liquidated damages clause for failure to conduct a timely transition and there was discussion about the contract language and conversion issues.

#### **Item V: Amendment to TIAA-CREF Contract**

There was no action taken on the amendment to TIAA-CREF's contract. Ms. Steelman explained that this item was not ready for action.

#### **Item VI: Quarterly TIAA-CREF Reports**

Ms. Lehman reviewed the 2005-Q4 report including operating performance, investment performance and marketing. Ms. Lehman expressed TIAA-CREF's appreciation and pride in helping the State launch its 529 program. Ms. Steelman expressed her appreciation for TIAA-CREF's years of service.

#### **Item VII: Adjournment**

Mr. Klebba moved to adjourn the meeting of the Missouri Higher Education Savings Board at 11:55 a.m. Mr. AuBuchon seconded the motion. Motion passed.