

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

Harry S. Truman State Office Building, Room 500
301 W. High Street
Jefferson City, Missouri
Wednesday, August 20, 2014

Item I: Call to Order

Treasurer Clint Zweifel called the meeting to order at 1:00 p.m.

Item II: Roll Call

MOST Board Members present were Treasurer Clint Zweifel, Deputy Commissioner Walter Pearson (for Commissioner Doug Nelson), Commissioner David Russell, John Klebba and JR Lawless.

Treasurer Zweifel's office staff present were: Meg Lewis, Debbie Schertzer and Sarah Swoboda.

Ascensus/Vanguard/DAWM staff present were: Kip Brown, Teri Davidson, George DuCasse, Stewart Duffield, Kevin Green, John Heywood, Janet Kottman, David Malone, Andrew Patterson, Lindsey Scarpati and Joe Vardaro.

Treasurer Zweifel welcomed and introduced John Heywood of Vanguard to the board.

Item III: Approval of Minutes

Walter Pearson moved to approve the June 4, 2014 Board meeting minutes. John Klebba seconded the motion, and the motion passed unanimously.

Item IV: Follow Up Item

George DuCasse presented non-Missouri states that have the most accounts in the MOST Direct and Advisor Plans. JR Lawless asked if we could do a zip code analysis of the top five states that use our plans.

Item V: MOST Direct Investment Review

Stew Duffield and Andrew Patterson highlighted and explained key points of the Direct Investment plan. They also outlined the proposal to change the exposure to TIPs in the age-based glide path from Vanguard Treasury Inflation-Protected Securities Fund to Vanguard Short-Term Treasury Inflation-Protected Securities Index Fund and answered questions from the board. JR Lawless asked for an analysis of the top five conservative portfolios and their durations that shows various interest rate scenarios and return results as information for the Board. A memo from Bruce Ring concurs with the recommended change to the Direct Plan.

Item VI: Request for Approval of Proposed Investment Changes to Direct Plan

Treasurer Zweifel moved to approve the proposed investment change to the Direct Plan. John Klebba seconded the motion and the motion passed unanimously.

Item VII: MOST Advisor Investment Review

Kip Brown presented the details of the MOST Advisor Plan and the annual investment review. A memo from Bruce Ring indicated no recommended changes to the Advisor Plan at this time.

Item VIII: CIO Review

Treasurer Zweifel informed the Board and congratulated Bruce Ring for recently passing the Chartered Financial Analyst (CFA) Program. Sarah Swoboda presented the 2013 Annual Program Review.

Item IX: Quarterly MOST Report

George DuCasse and Stew Duffield highlighted key points of the MOST Direct and Advisor plan 2nd quarter results. Teri Davidson presented 2nd quarter marketing data and commented on 3rd quarter initiatives. Janet Kottman reported recent outreach results. Lindsay Scarpeti described Advisor plan marketing efforts.

Item X: Quarterly WATCH Report

Treasurer Zweifel presented the WATCH Report.

Item XI: Matching Grant Update

Meg Lewis reported 1,045 Matching Grant applications have been received. Treasurer Zweifel thanked Ascensus, Sarah Swoboda & Meg Lewis for their assistance in building a partnership which leads to new accounts.

Treasurer Zweifel moved to adjourn. John Klebba seconded the motion. The meeting adjourned.