**MINUTES OF THE MEETING**

**Achieving a Better Life Experience Program Committee**

Thursday, June 10at 10:30 am

Victory Building Conference Room, Suite 275 -- Little Rock, AR 72201

A meeting of the Arkansas Achieving a Better Life Experience Program Committee (“Committee”) was held on Thursday, June 10at 10:30 am in the Victory Building Conference Room, Suite 275 and via Zoom virtual meeting. Present at the meeting were Grant Wallace, Chief Deputy Treasurer (Designee for Treasurer of State); Joseph Baxter, Commissioner, Arkansas Rehabilitation Services; Kristie Hayes, Program Administrator, Arkansas Department of Human Services (Designee for the Secretary of Arkansas Department of Human Services); Rich DeSilva, Vice President of Relationship Management, Ascensus; David Ponder, Vice President of Relationship Management, Ascensus; Dawn Roach, Senior Client Relationship Administrator, Ascensus; Fran Jansen, Director of 529 Programs and Financial Education; and Chris Scott, Manager, Arkansas 529 Programs.

The press was notified in compliance with the Freedom of Information Act.

Grant Wallace called the meeting to order at 10:01 a.m.

Grant presented the minutes of the March 17, 2021, meeting. Joseph Baxter made a motion to approve the minutes, Kristie Hayes seconded the motion, and the minutes were approved by a voice vote.

Fran Jansen began her Director’s Report by stating that Chris Scott recently attended the Disability Rights Arkansas conference (virtual) and the Developmental Disability Providers Association conference (in person). Several good connections were made at each conference, and we are strategically following up with a few organizations to identify opportunities for partnerships, advocacy and resource sharing. Fran also indicated that she would be meeting soon with the Arkansas Autism Resource and Outreach Center, noting that autism is identified as one of the predominant disabilities among Arkansas ABLE account holders. Fran then noted that the office staff is attending ABLE-related professional development workshops as part of the National Association of State Treasurers’ (NAST) Treasury Management Training Symposium. Her report ended with accolades for Chris Scott, highlighting his leadership among peers in the National ABLE Alliance as they collaborate on revising the ABLE plan brochure, the Account Satisfaction Survey and creating an Account Closure Survey.

Next, Fran provided a legislative update, informing the committee that HB1684 co-sponsored by Rep. Julie Mayberry and Sen. Mark Johnson had been signed by the Governor. She reminded the committee that the bill corrects some existing language, adds a carry-forward provision similar to that of the 529 plan, allows individuals to deposit up to $15,000 (the annual contribution limit to an ABLE plan) in one year, and carry forward the state tax deduction for the following four years. She also explained that HB 1684 will have a provision to allow state employees to set up automatic payroll deductions for an ABLE account.

Fran concluded her report stating that an administrative money market account had been established at First Security Bank. The account will be used to house collected administrative fees and make withdrawals for expenses related to the ABLE plan. Grant then presented for approval a check and invoice for an AR ABLE branded table cover. Joseph Baxter made a motion to approve the check and invoice, Kristie Hayes seconded the motion, and the check and invoice were approved by a voice vote.

Dawn Roach reported on the AR ABLE plan’s accounts, contributions, and withdrawals. She noted that many of the accounts closed-to-date were funded by the Arkansas Promise Program, and that the rate of those closures is starting to decline. Dawn also reported that a majority of the AR ABLE plan’s assets were in the ‘Moderate Option’. Examining accounts and assets by disability type, she noted that developmental disorders continued to hold the majority share of assets.

Next, Grant Wallace informed the committee about an issue concerning ABLE accounts administered by the Arkansas Department of Human Services Division of Children and Family Services (DCFS). While following up on an inquiry from DCFS regarding fees charged to the accounts for children under their care, the Treasury staff identified an irregularity in the fee amounts being charged.

Upon discovery, we alerted Ascensus and instructed them to promptly investigate the matter. In summary, it was discovered that multiple Arkansas account owners (individuals *and* DCFS clients) did not receive the in-state residency deduction of $1.25 on their quarterly fees for roughly one year.

David Ponder reported that Ascensus’ internal investigation revealed the error resulted from a coding oversight and a breakdown in communication protocol. Fran worked with the Ascensus team to draft a letter of explanation that will be sent to each account owner, along with how their funds will be reimbursed. Dawn stated that the average refund being issued is $3.06.

Joseph Baxter inquired about current auditing procedures for the accounts, to which Rich DeSilva responded that there is now an additional checkpoint in place when accounts are opened. Rich also indicated that additional training and review measures are now in place because of this error.

Fran added that she, Grant and Chris also had a meeting with DCFS to personally inform them of the issue.

In concluding the meeting, Grant asked the committee if they would be comfortable holding the next board meeting in-person. Both Joseph and Kristie stated that they would be able to attend in-person. The date of the next quarterly meeting would be established at a later time.

There being no further business, Grant moved to adjourn the meeting and the meeting adjourned at 10:36 a.m.

Respectfully submitted,

Fran Jansen, Director of 529 Programs and Financial Education