



VIVEK MALEK
MISSOURI STATE TREASURER

Missouri Education Program (MOST 529) Board Meeting

Notice is hereby given that the Q3 MOST 529 Board Meeting will be held on:

August 14, 2024 at 1:00 p.m.

Harry S. Truman Building, Room 494

301 West High Street, Jefferson City, MO 65101

Call-in Number: (267) 281-7060

Participant PIN: 258 976 092#

AGENDA

I. Call to Order

II. Roll Call

III. Approval of Board Meeting Minutes

A: [Meeting Minutes from June 12, 2024](#) (pages 1 – 4)

IV. Update from Chair

A: Q4 2024 Board Meeting scheduled for November 13, 2024

B: 2025 Board Meeting Dates scheduled for February 26, 2025; May 21, 2025; August 20, 2025; November 12, 2025

V. Second Quarter Report for 2024

A: [Asset & Accounts](#) (pages 6 – 8)

B: [Marketing](#) (pages 9 – 14)

C: [Institutional Relationship Management](#) (pages 15 – 19)

D: [2024 2nd Quarter Performance Monitoring Report](#) (pages 20 – 23)

E: [Plan Statistics](#) (pages 25 – 35)

VI. Annual Review

A: STO Director of Investments - [2023 Annual Program Review](#) (pages 36 – 39)

VII. Open Discussion

VIII. Adjournment

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VIVEK MALEK
MISSOURI STATE TREASURER

Missouri Education Program (MOST 529) Board Meeting

Truman Building, Conference Room 750
301 West High Street, Jefferson City, MO 65101
June 12, 2024 at 1:00 p.m.

Proposed:
MEETING MINUTES

Members Present: Treasurer Vivek Malek, Commissioner Ken Zellers, Kim Froemsdorf on behalf of Director Michelle Hataway, Kari Monsees on behalf of Commissioner Karla Eslinger, John DeStefano, John Klebba, JR Lawless

Members Absent: Commissioner Bennet Boggs

Other Staff Present: STO Staff: Clayton Campbell, David Saucier, Sarah Williams
Ascensus Staff: Ashley Bell, Mike Bibilos, Michelle Cardone, Johnny Saldana, Lindsay Tobin
Vanguard Staff: Stewart Duffield
Other: Andrew Huang with CPB

I. Call to Order

Campbell called the meeting to order at 1:02 p.m.

II. Roll Call

Quorum established.

III. Approval of the February 28, 2024, Board Meeting Minutes

The Board reviewed the proposed meeting minutes from February 28, 2024.

Motion was made by member Klebba to approve meeting minutes as presented. Motion was seconded by Commissioner Zellers.

Upon a voice vote and hearing no objection, motion carried unanimously.

IV. Update from Chair

A. Proposed Meeting Dates for 2025

Campbell presented proposed meeting dates for 2025 to Board.

V. First Quarter Report for 2024

A. Asset & Accounts

Ascensus presented statistics regarding account growth, total assets and contributions for Q1 for years 2022, 2023 and 2024. An increase of 19.35% total new accounts from Q1 2023 compared to Q1 2024. Total program asset amount of \$4,231,224,037.00, as of March 31, 2024. Direct Plans in Q1 2024 were 4,022. Based upon a nationwide comparison Missouri is performing between the middle and upper quartile; and higher than other states with similar size and population.

B. Marketing

Ascensus presented first quarter marketing attributable account growth statistics, digital campaign performance, public website performance and email campaign performance.

Ascensus responded to the Board's inquiries and gave a brief overview of service provided by vendor CPB. Andrew Huang, Associate Director with CPB provided additional information regarding CPB's methodologies and ethnicity testing.

C. Institutional Relationship Management

Ascensus presented first quarter highlights for institutional relationships, events, webinar polling data, Q2 strategy; and updates regarding previously suggested county initiative outreach to State Technical College of Missouri in Linn and DMV management offices.

The Board reviewed information presented and made a suggestion of including MOST 529 to Missouri's citizen portal.

D. 2024 1st Quarter Performance Monitoring Report

Saucier presented the quarterly watch report; which included the Vanguard Interest Accumulation Portfolio fund for the second consecutive quarter. Followed by a brief recap of last quarter's discussion regarding benchmark comparisons. A recommendation of continuing monitoring the fund was presented to the Board.

Hearing no inquiries or objections from the Board, Missouri State Treasurer's Office will continue to monitor the fund.

E. Plan Statistics

The plan statistics was provided to the Board.

VI. FY 2025 Marketing Plan

A. FY 2024 Recap

Ascensus presented to the Board a recap of fiscal year 2024 marketing goals. A status update as of 4/30/24 regarding new enrollment statistics, owner engagement data for recurring and ugift contributions, digital campaign performance, email activity data, sponsorship campaign performance and website activity. Presentation concluded with projected budget figures as of 4/30/24, accomplishments and items for consideration.

The Board reviewed the information presented and made inquiries regarding metrics used to define rural statistics and geographies included.

B. FY 2025 Goals

Ascensus presented to the Board proposed goals for FY 2025 based upon historical performance.

The Board reviewed the information and did not voice any objections or revisions to proposed goals.

C. Proposed FY 2025 Marketing Plan

Ascensus presented to the Board proposed FY 2025 marketing plan and strategy. Proposal included a digital marketing plan, renew agreement with the Springfield Cardinals, utilizing IRM partnerships, an incentivized promotion and a PSA campaign. Presentation concluded with an evaluation process of new proposals.

The Board reviewed the information and did not voice any objections or revisions to proposed plan.

D. Budget

Ascensus presented to the Board the proposed budget for FY 2025.

The Board reviewed the information, made inquiries regarding amount of rollover and last year's budget amount compared to FY 2025. The Board thanked Ascensus for their work and support of the program.

Motion was made by member DeStefano to approve proposed marketing budget as presented. Motion was seconded by Commissioner Zellers.

Upon a voice vote and hearing no objection, motion carried unanimously.

VII. Investment Review

A. Vanguard

1. MO Plan Summary Report December 2023

2. Short Term Reserves 4Q 2023
3. SV Commentary 4Q 2023

Vanguard presented to the Board the summary report, the short term reserves and commentary.


The Board reviewed the information and made inquiry regarding a fund's duration. Vanguard responded to the Board and disclosed market projections and updates.

VIII. Open Discussion

IX. Adjournment

Motion made for adjournment by Monsees. Motion seconded by Commissioner Zellers.

Upon a voice vote and hearing no objection motion carried unanimously, meeting adjourned.



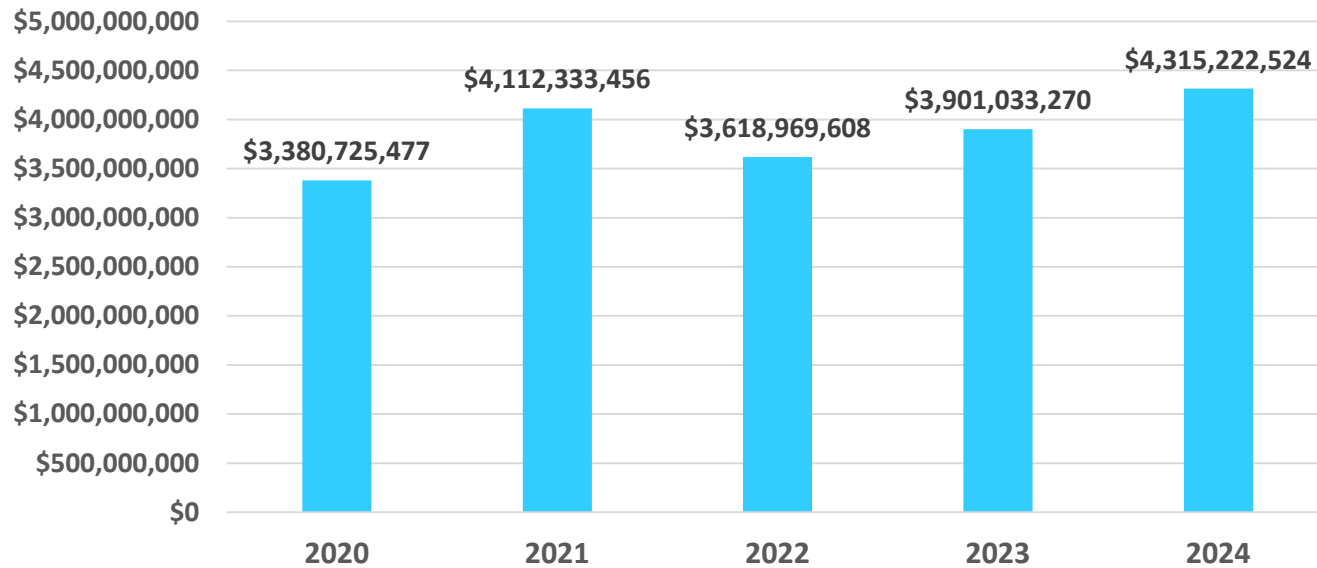
Missouri's 529 Education Plan 2nd Quarter 2024 Administrative Update

August 14, 2024

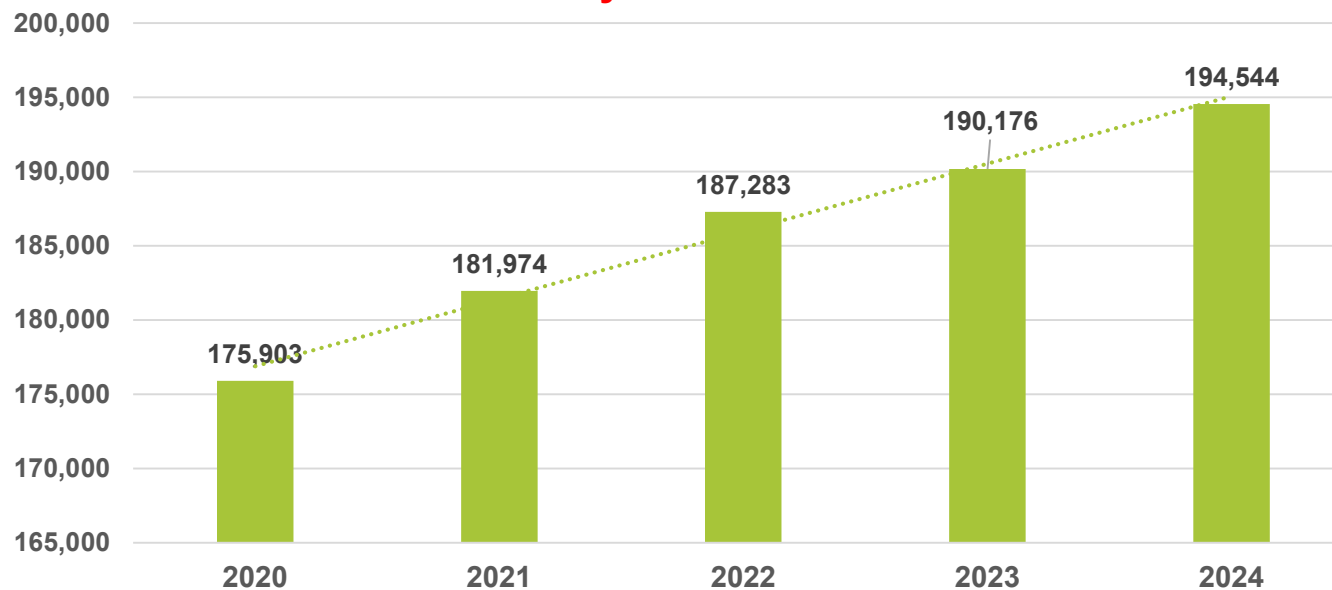
Asset & Accounts: Q2 Lookback

(Data as of 06/30/2024)

Assets



Beneficiary Accounts

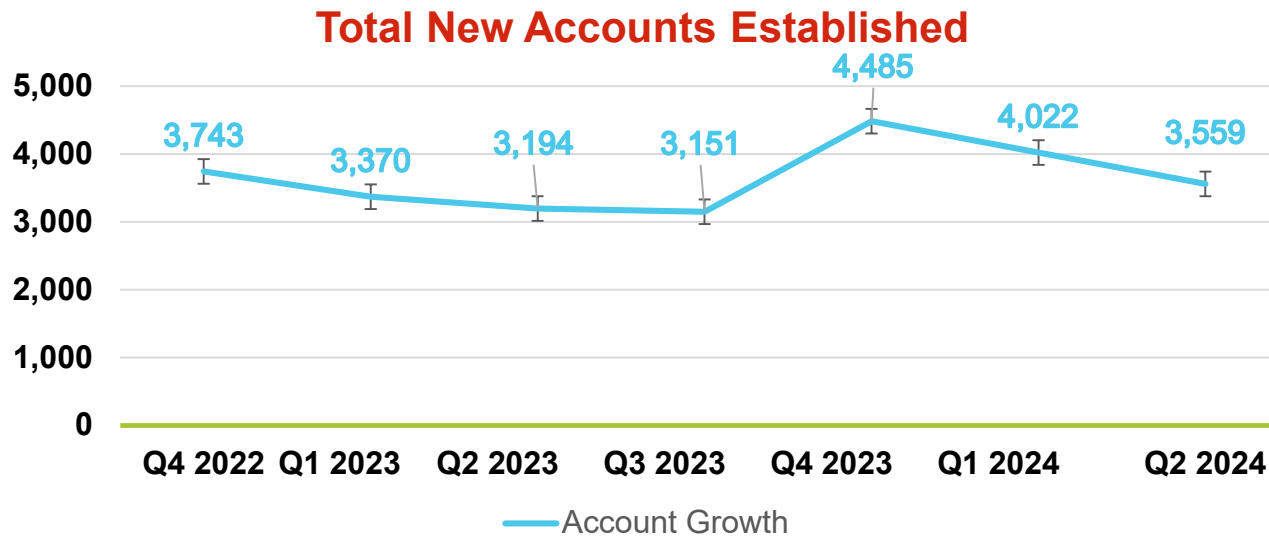


K-12 Activity: Quarterly Comparisons

	Q2 2022	Q2 2023	Q2 2024	Full Year 2022	Full year 2023	YTD 2024
Total Beneficiary Accounts Opened	2,920	3,194	3,559	12,998	14,200	7,581
Accounts Opened that immediately took a Qualified Withdrawal in the same quarter - beneficiary is 16 & under	49	74	57	315	332	99
Number of Qualified Withdrawals - beneficiary is 16 & under	4,290	4,336	4,769	21,173	21,910	10,151
Total Amount of Qualified Withdrawals (beneficiary is 16 & under)	\$9,947,857	\$10,629,591	\$11,565,560	\$41,662,330	\$44,565,271	\$20,113,695
K-12 Withdrawal compared to Total Qualified Withdrawals	26.36%	25.85%	26.70%	22.19%	22.63%	23.34%

Analysis: We continue to see consistent behavior in the Plan, as compared to previous years.

Note – The percentage of withdrawals is calculated by looking at the count of qualified withdrawals Age 16 & Under compared to the total count of qualified withdrawals. Past quarters have been updated to reflect the calculation methodology.



MOST Account Growth – Analysis & Benchmark

- MOST New account openings in Q2 of 2024 decreased by 11.51% as compared to Q1 of 2024. ISS Market Intelligence shared that for all Direct Plans, new accounts decreased by 16.0% as compared to Q1 of 2024.
- MOST New account openings in Q2 of 2024 increased by 11.43% as compared to Q2 of 2023. ISS Market Intelligence shared that for all Direct Plans, new accounts increased 20% in Q2 of 2024 as compared to Q2 of 2023.



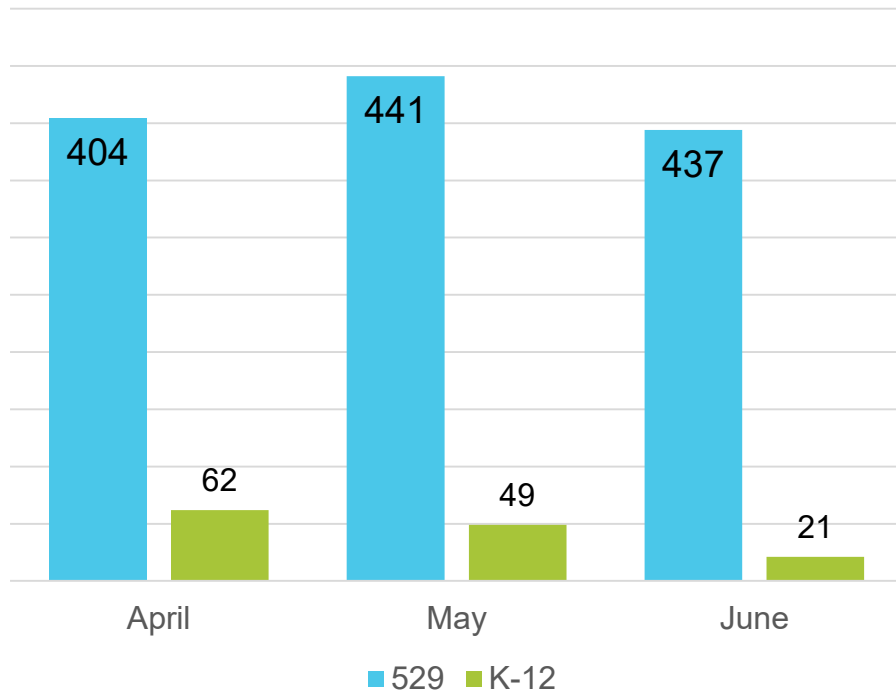
Marketing

MARKETING

Marketing attributable account growth

Q2 new accounts from digital marketing campaign spend

Q2 new accounts by month
(marketing attributable)



Q2 total digital marketing attributable growth highlights:

- 1,414 new MOST 529 accounts were generated in Q2 2024 because of digital marketing spend.
 - 3% increase in paid media attributable accounts opened YoY
 - CPA during this period increased to \$71, was \$63 YoY
 - Paid Search drove 73% of all accounts for the quarter

Overall digital marketing attributable growth performance highlights for FY2024 (June 2023 – May 2024):

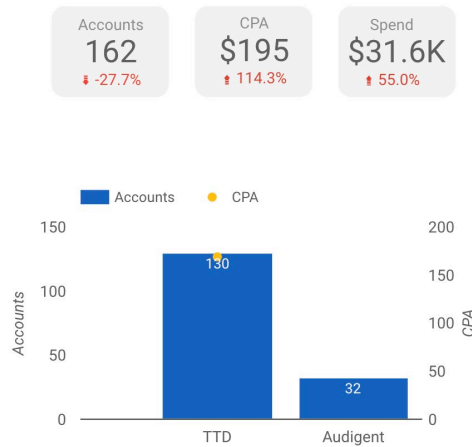
- **FY2024** – 6,056 accounts opens were attributed to paid media, 11% higher YoY. We surpassed our goal of 5,805 enrollments by 251 enrollments, which is 4% higher. Our campaign were also more efficient and received more 4% more funding YoY.
- **FY2025** – Due to budget cut in FY2025, we lowered our goal of enrollments to be 5,500. We have received 415 enrollments in June (+19% YoY), 8% towards our goal.

MARKETING

Digital campaign performance

Q2 channel overview

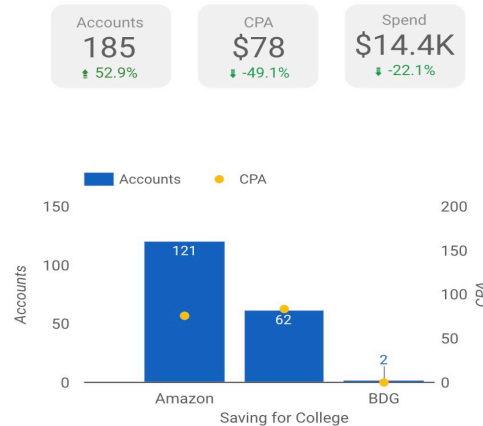
Programmatic



Takeaways

- Top funnel marketing strategy focused on awareness.
- New enrollments decreased by 27.7%.
- Despite programmatic seeing less account opens and a higher CPA in Q2, funding per account was up 60% at \$993.

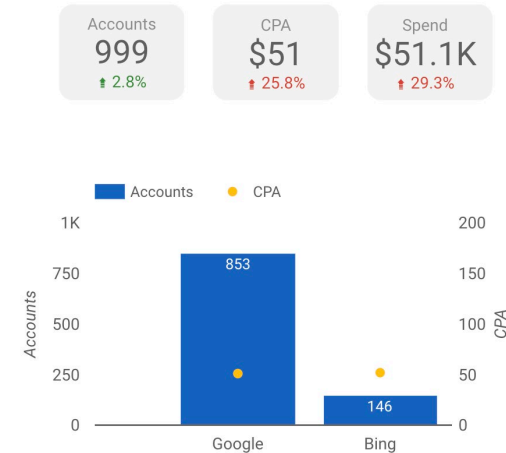
Site Direct



Takeaways

- Mid funnel digital marketing strategy focused on remarketing and audience targeted messaging.
- This tactic received 22% less spend in Q2, and account opens were up 53% leading to a 49% improved CPA. Funding per account was also up at \$1.1K (+8%).
- BDG received 2 enrollments for the quarter. Due to poor performance, it was paused for FY2025.

Paid Search



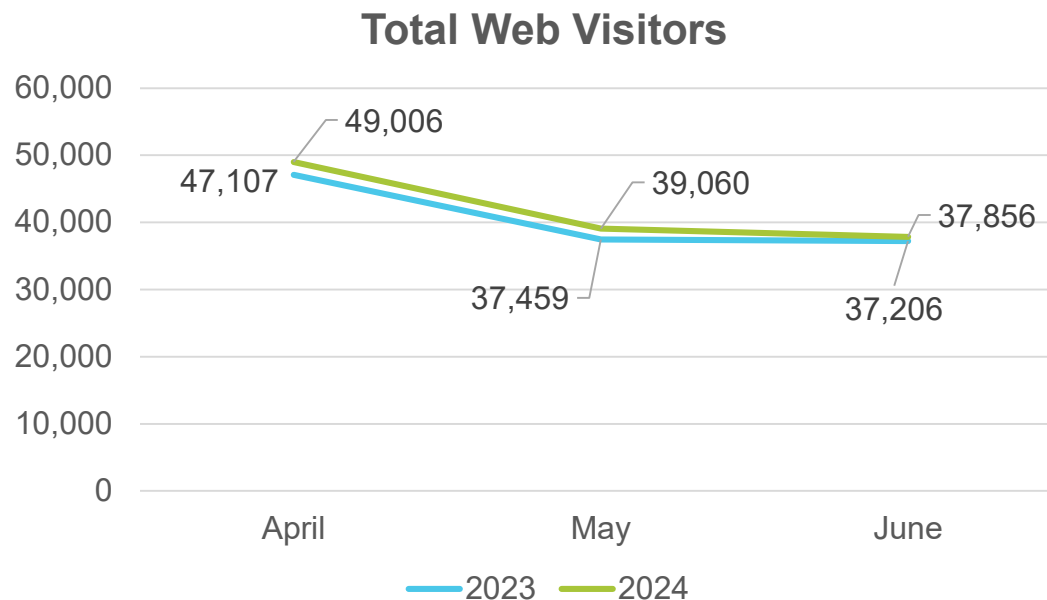
Takeaways

- Bottom funnel digital marketing strategy focused on prospect conversion.
- Despite a 26% increase in CPA YoY, Paid Search drove 3% more account opens.
- Overall funding for Paid Search in Q2 was \$1.4M (+2% YoY).

MARKETING

Public website performance

Q2 new and returning visitors



Overall Q2 website visits,
up YoY:

▲ **2.9%**

Q2 OBSERVATIONS

- Total website visitors in Q2 up 2.9% YoY and we continue to follow historical traffic patterns month to month.
- Largest traffic drivers for marketing attributable efforts were Paid Search and Facebook digital display.
- May campaign marketing efforts were responsible for over 800 website visitors in Q2 through various channels including email, social media, and digital display.

MARKETING

Q2 metrics

Email campaign performance



Quarterly highlights:

- Both quarterly and ad hoc emails were deployed as a part of May campaign communication to prospects and resulted in an average open rate of 56% (well above the industry average of 21%)
- 1,585 new account owners were added to the onboarding email journey this quarter, with an average open rate of 70% across the total journey
- While only 1 of the 117 prospects circulating through the warm prospect email experience converted to account owner status, we're able to contact this audience in the future through –
 - Future ad hoc prospect email campaigns
 - Digital display remarketing tactics

MARKETING

Incentivizing prospects to act

May campaign performance

Campaign goal: Incentivize prospects to open a MOST 529 account during the month of May with a \$50 contribution to their account when using promo code MOSTMAY at time of enrollment

Campaign channels:

- Email (kick-off & reminder)
- Social media (Facebook & Instagram)
- Digital display
- Public website landing page
- Dedicated PPT slide and talking points for IRM team

Results:

- **233 new MOST 529 accounts** created using promotional code MOSTMAY
 - 80 of these were directly attributable to the kick-off or reminder emails sent as a part of campaign communication
 - Promo code usage confirms that prospects interacted with campaign assets at some point during the month of May
- Campaign emails sent to our prospect audience of over 10k yielded a 56% open rate – well above our open rate benchmark of 21%
- Cost per acquisition for the May campaign was \$54 (based on costs to fund incentives & deploy emails through vendor)
 - Costs associated with creative and digital display baked into yearly spend with Cannonball & CPB



Institutional Relationship Management

Q2 2024 Overview

Q2 2024

Q2 Highlights

Institutional Relationship Management

Employer

- Mizzou Staff Development Week
- Lonedell Health and Wellness Fair
- Springfield Area HR Conference
- Camden County Elected Officials Presentation

State Employee Events

- Department of Corrections Benefit Fairs – Poplar Bluff, Chillicothe, Jefferson City
- St. Louis Forensic Treatment Center Benefit Fair
- Fulton State Hospital New Employee Orientation

Community

- Babies and Bumps – STL and KC
- Boeing Parent's Network Webinar
- St. Luke's Hospital Mom and Baby Expo
- Drury University Admissions Office Presentation
- Springfield Catholic Schools Webinar

Child Development Accounts (CDA)

- College Kids
- Missouri Scholarship and Loan Foundation - MyMO
- KC Scholars



*Springfield
Area HR
Conference*

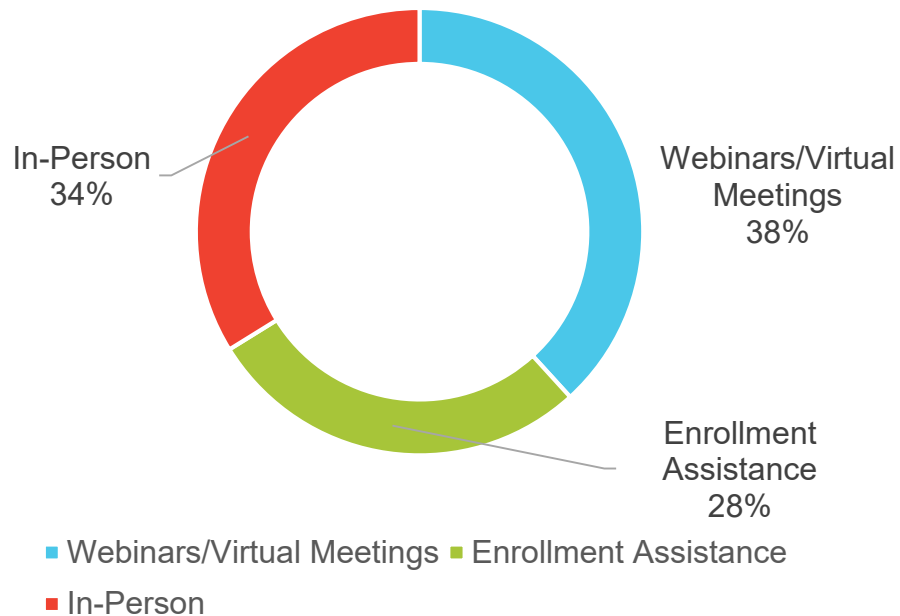


Babies and Bumps STL

Q2 2024

Q2 = 68 Events

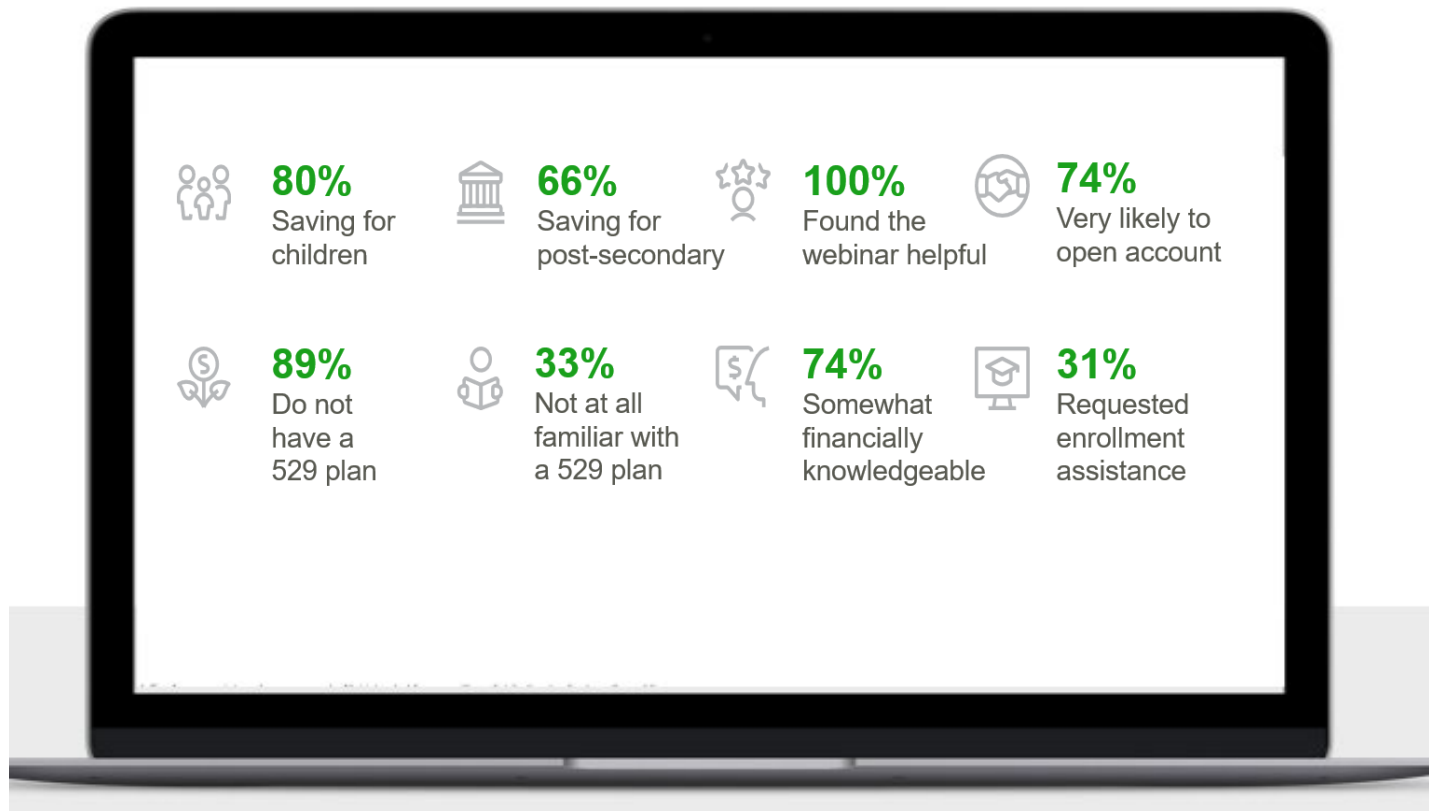
Institutional Relationship Management



- 17 Employer Events
- 13 Community Events
- 19 Individual Enrollment Assistance
- 13 MOST Webinars
- 6 CDA Events

Q2 2024

Q2 Webinar Polling Data



Q2 2024

Q3 Strategy

Initiatives

State of Missouri/Employer

- Weekly webinars for State of Missouri employees
- Dept. of Revenue Team Member Benefits Fair
- Fulton State Hospital New Employee Orientation
- MO SHRM

Targeted MO Counties and Municipalities

- Missouri Municipal League Conference
- DOC events in Tipton, St. Joseph, Jefferson City, Bowling Green, Kansas City, Pacific, Vandalia, Farmington, Bonne Terre, St. Louis, Licking, Fordland
- DMV Management Offices

Scholarship/Foundations

- College Kids
- KC Scholars



Mission St. Louis Event– MO College & Career Attainment Network, MO Department of Higher Education and Workforce Development, MO Scholarship and Loan Foundation



2024 2nd Quarter Performance Monitoring Report

Q2 2024

WATCH Status: Performance Criteria Over Three Consecutive Quarters

- **Short-Term:**
 - Index-based Funds: 1-year total return underperforms its benchmark by 0.50% (50 bps)
 - Active Funds: 1-year total return underperforms its benchmark by 2.50% (250 bps)
- **Intermediate:**
 - Index-based Funds: 3-year total return underperforms its benchmark by 0.50% (50 bps)
 - Active Funds: 3-year total return underperforms its benchmark by 2.50% (250 bps)
- **Qualitative Issues:**
 - Regulatory, staff turnover, risk, etc.

Q2 2024

WATCH Status: Updates

Watch Status: Short-term Performance

Plan	Fund	Quarters on Watch
Direct	Vanguard Interest Accumulation Portfolio (invested in Vanguard Short-Term Reserves Fund)	Three quarters

Watch Status: Intermediate Performance

Plan	Fund	Quarters on Watch
Direct	None	

Watch Status: Qualitative

Plan	Fund	Quarters on Watch
Direct	None	

Q2 2024

WATCH Status: Action

Funds Released from Watch Status:

None

Recommended Actions:

Continue to monitor the Vanguard Interest Accumulation Portfolio

APPENDIX

Plan Statistics Q2 2024

Accounts	
Total Accounts-Funded	194,544
Missouri Accounts-Funded	174,603
Average Funded Account Size	\$22,181.22
Accounts with AIP	63,798
Average Monthly AIP	\$124.12
YTD New Account Owners	7,581
Account Owners and Beneficiaries	
Total Unique Account Owners	101,156
Missouri Unique Account Owners	90,021
Total Unique Beneficiaries Accounts	179,887
Assets, Contributions, Withdrawals	
Total Assets	\$4,315,222,524.77
YTD Contributions	\$204,619,338.90
YTD Withdrawals	(\$182,238,393.70)
Upromise Rewards Service	
Quarterly Sweep Amount	\$158,292.60
Cumulative Amount Swept	\$11,105,033.65

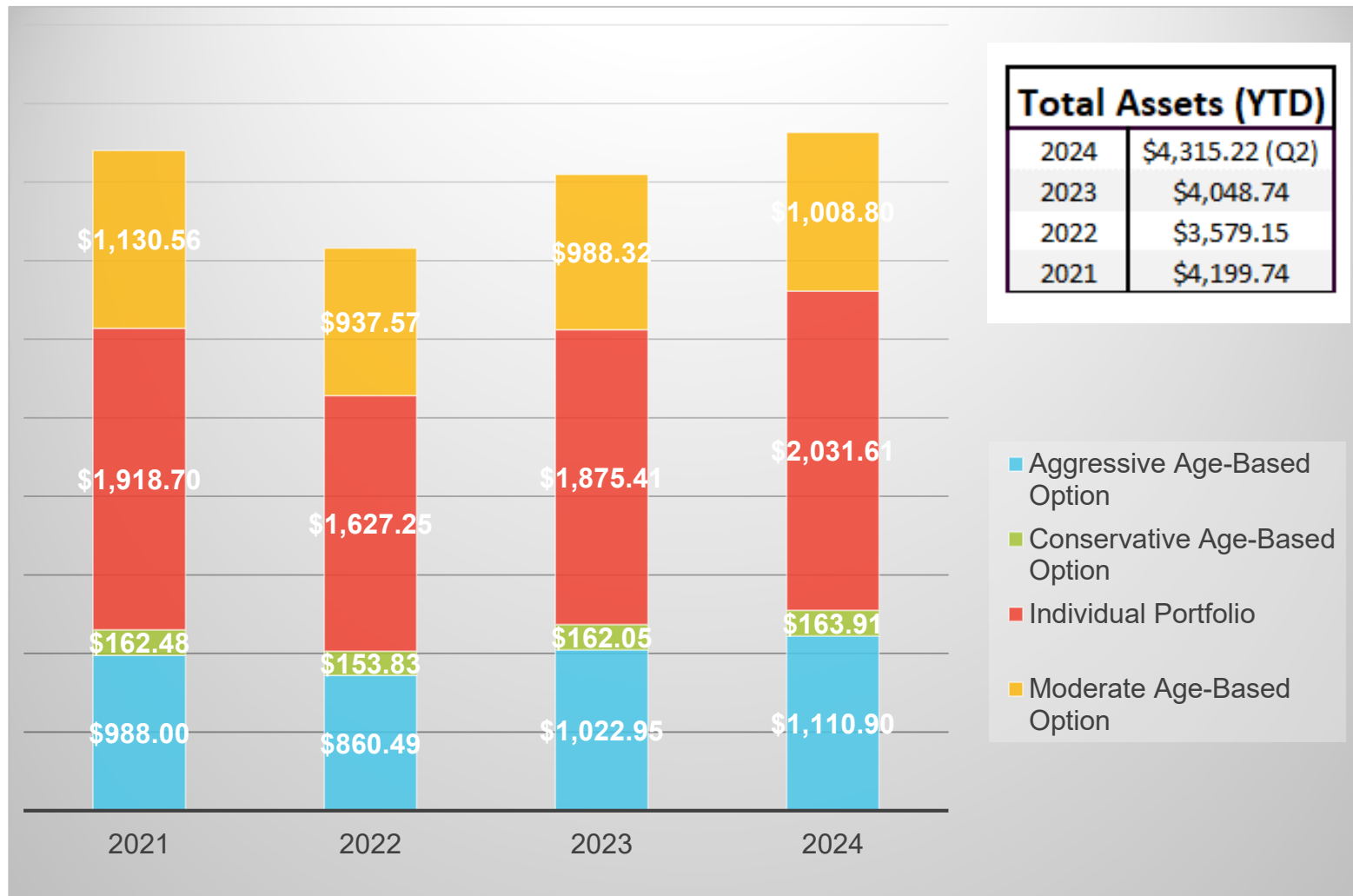
Plan Statistics Q2 2024

Enrollment Method for Beneficiary Accounts	Q2 2023	Q2 2024
Total Beneficiaries Enrolled	3,194	3,559
Total Beneficiaries Enrolled On-line	2,897	3,073
Total Beneficiaries Enrolled Via Form	249	241
Total Beneficiaries Enrolled Via Mobile App	48	245
Enrollment Method for Account Owners		
Total Account Owners Signed Up for e-delivery Confirms	2,105	2,402
Total Account Owners Signed Up for e-delivery Statements	1,457	1,673
Total Account Owners Signed Up for e-delivery Tax Forms	1,606	1,892
Total Account Owners Web-Registered	2,349	2,658
Total Account Owners Not Web-Registered	95	80

Plan Statistics Q2 2024

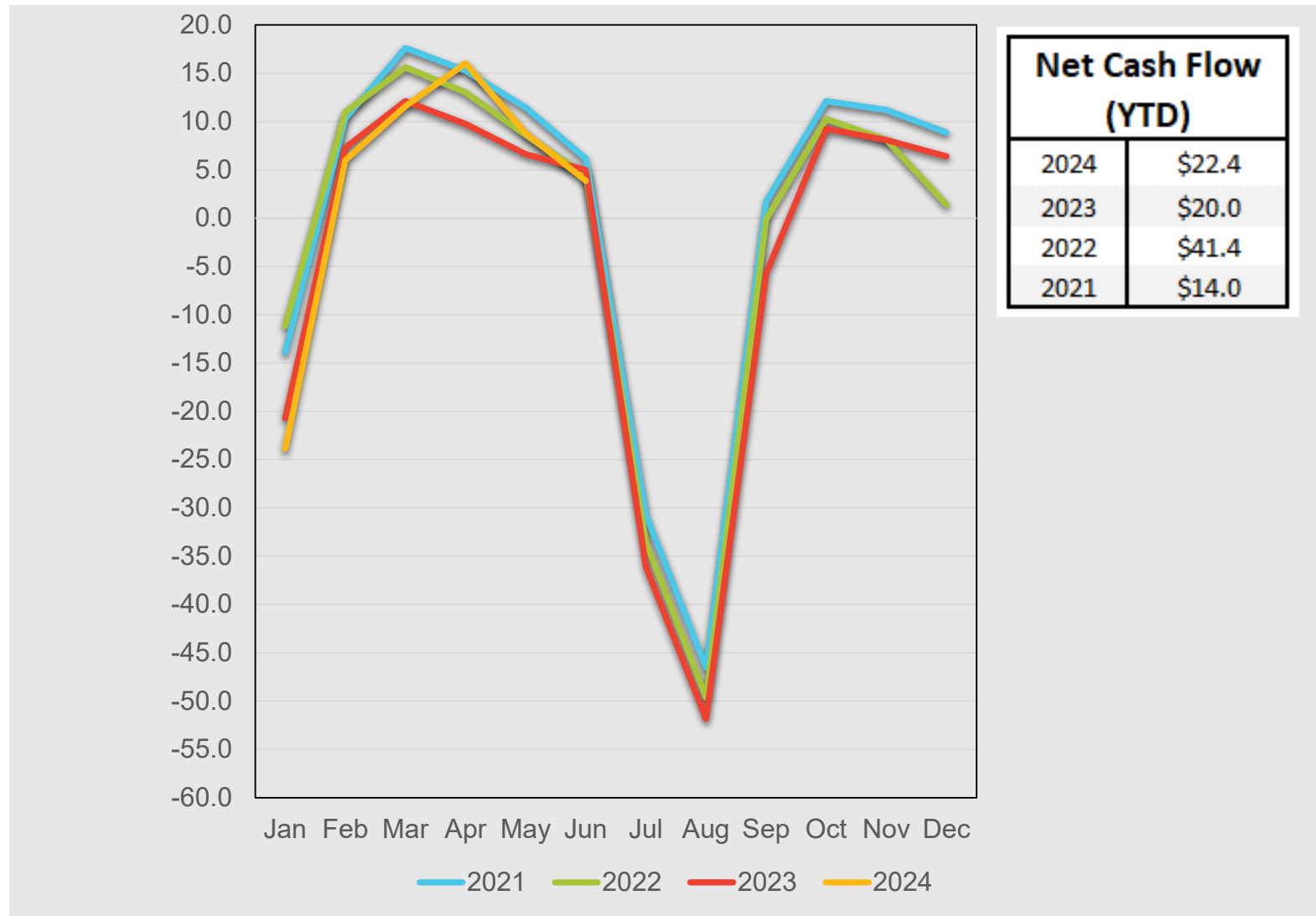
Contributions	Q2 2023	Q2 2024
Checks	\$5,632,530.69	\$5,933,787.48
Electronic Bank Transaction (EBT)	\$29,951,280.06	\$34,513,552.60
Automatic Investment Plan (AIP)	\$34,397,194.69	\$36,285,973.13
ePay	\$603,157.56	\$545,312.64
Payroll	\$3,726,103.09	\$4,223,170.14
Rollovers In	\$2,601,523.68	\$4,287,726.10
Interplan Transfers In	\$0.00	\$0.00
Ugift	\$1,814,656.29	\$2,629,616.20
Upromise	\$154,734.88	\$158,292.60
Total Contributions	\$78,881,180.94	\$88,577,430.89
Withdrawals		
Qualified Withdrawals	(\$45,362,573.15)	(\$47,477,752.09)
Non-Qualified Withdrawals	(\$4,309,071.69)	(\$4,273,805.40)
Rollovers Out	(\$5,294,127.41)	(\$4,357,312.39)
Interplan Transfers Out	\$0.00	\$0.00
Fees	(\$27,455.00)	(\$33,770.00)
Total Withdrawals	(\$57,556,992.74)	(\$59,891,617.73)

Assets by Investment Type (\$MM)



(as of 6/30/2024)

Cash Flows (\$MM)



(as of 6-30-2024)

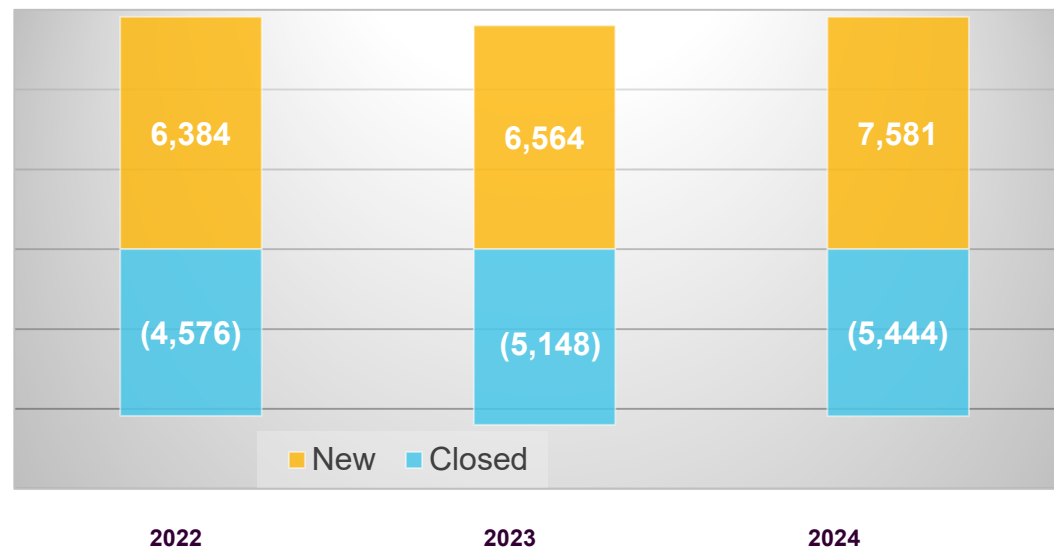
Cash Flows (\$MM)

	June					Year-to-Date				
	2024		2023		2022	2024		2023		2022
<u>Contributions</u>	25.9		26.5		24.8	204.6		186.3		190.4
Initial	2.3		2.0		1.5	20.8		13.6		15.6
Subsequent	23.7		24.5		23.3	183.8		172.7		174.8
<u>Withdrawals</u>	22.1		21.5		20.4	182.2		166.3		149.0
Qualified	18.9		19.1		18.4	160.5		146.6		133.5
Non Qualified	1.7		1.2		1.1	9.5		8.8		7.1
Rollovers	1.5		1.2		0.9	12.2		10.8		8.3
Net Cash flow	3.9		5.0		4.4	22.4		20.0		41.4

(as of 6/30/2024)

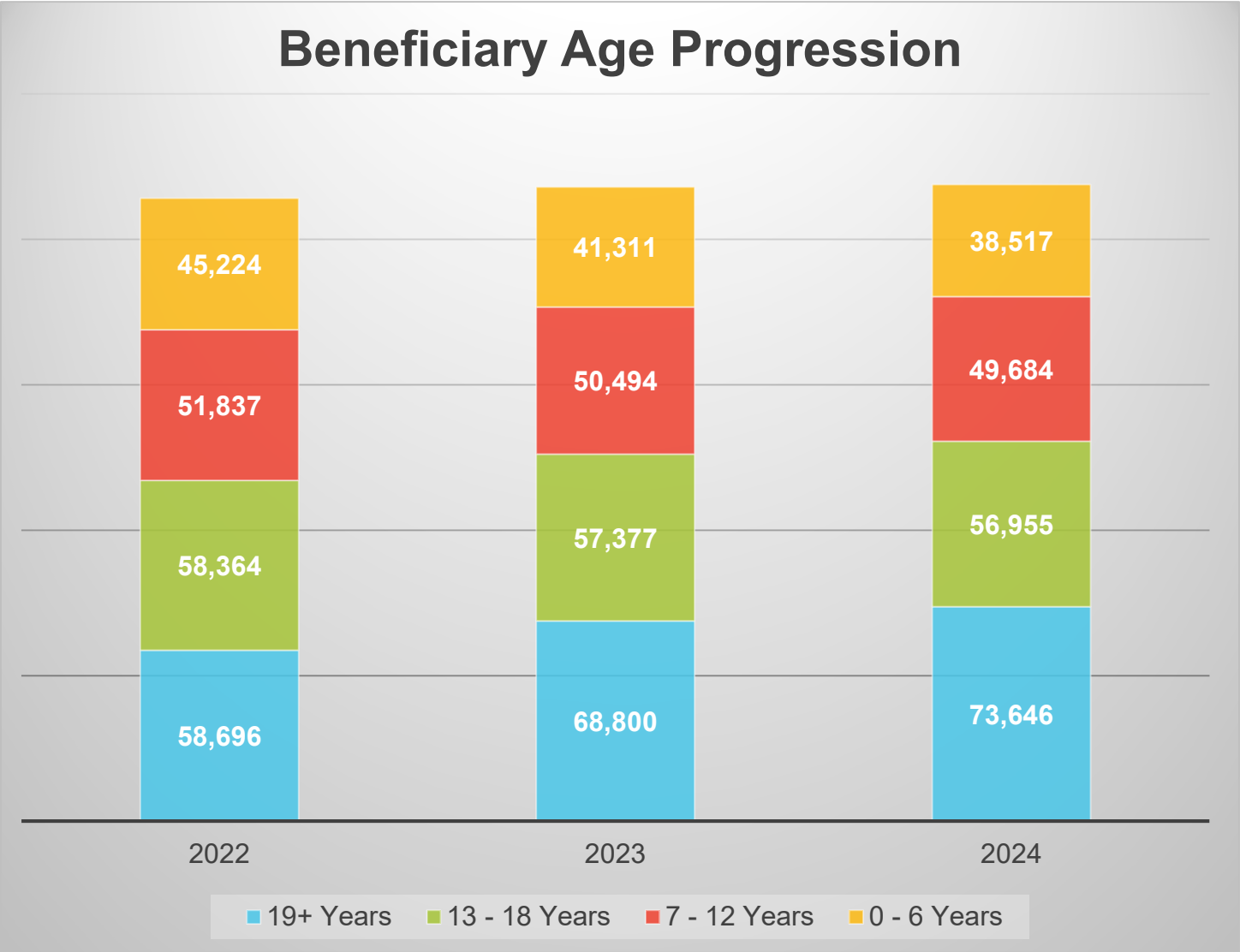
Plan Growth

Account Activity



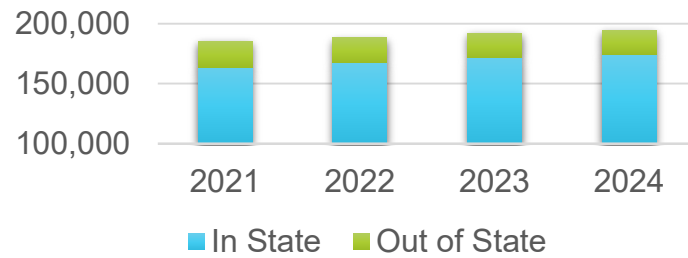
Plan Stats	Year to date				
	2024		2023		2022
New Accounts	7,581		6,564		6,384
Closed Accounts	-5,444		-5,148		-4,576
Net New Accounts	2,137		1,416		1,808
Average Contribution	\$227		\$216		\$221
Average Withdrawal	-\$2,163		-\$2,112		-\$2,041
Average Account Balance	\$22,181		\$20,513		\$19,324

Beneficiary Demographics



Owner Demographics

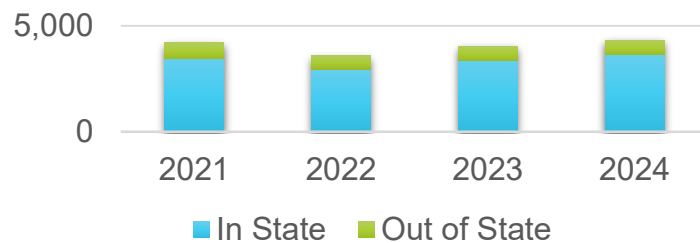
Ownership Account Statistics



Account Statistics Legend

Year	Total	In-State	Out of State
2024	194,544	174,603	19,941
2023	192,030	171,742	20,288
2022	188,527	167,415	21,112
2021	185,415	163,512	21,903

Ownership Assets in (\$MM)



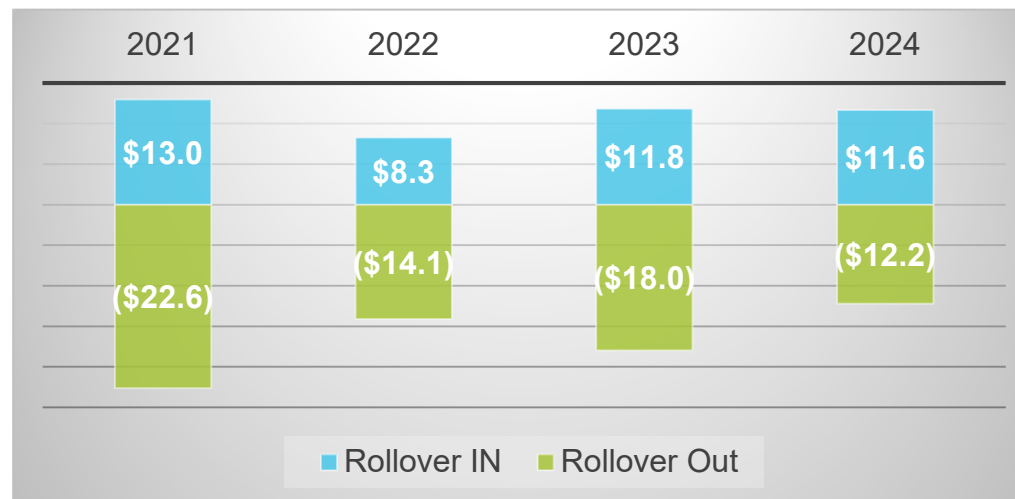
Assets Statistics Legend (\$MM)

Year	Total	In-State	Out of State
2024	4,315	3,630	685
2023	4,049	3,388	661
2022	3,579	2,961	618
2021	4,200	3,440	760

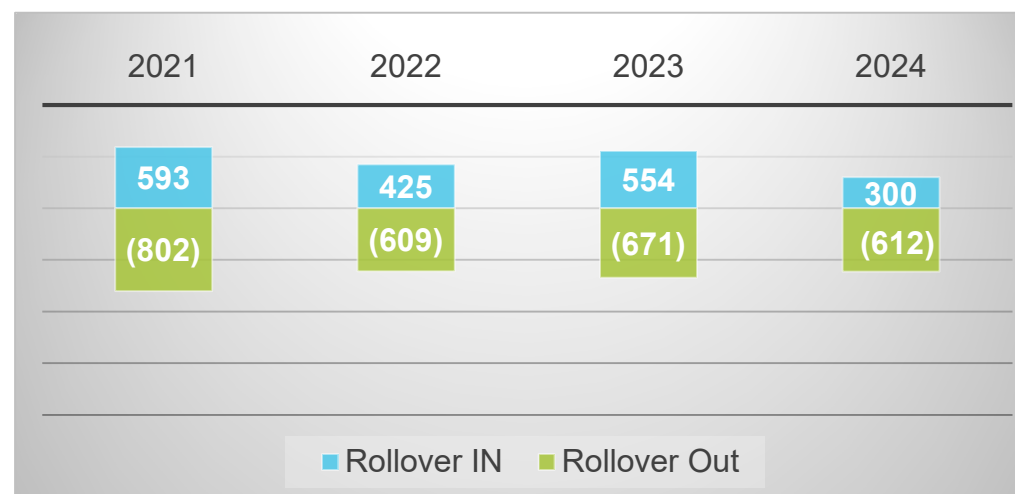
Demographics

Rollover Analytics

Rollover Dollars (\$MM)



Rollover Volumes



Contact Center Statistics

	June				Year to Date		
	2024	2023	2022		2024	2023	2022
Calls							
Calls Handled	1,958	1,962	2,342		15,468	29,722	22,883
Service level (20 sec)	97.34%	86.90%	83.70%		86.37%	88.52%	86.30%
Abandon Rate	0.00%	0.15%	0.51%		0.30%	0.29%	0.53%
Average Speed of Answer (sec)	0:05	0:11	0:09		0:14	0:10	0:16
Emails							
Received	134	198	212		1,213	2,479	1,794
Completed	134	198	212		1,213	2,479	1,794
Avg Response Time	3:40	12:43	1:55		7:31	11:41	0.12



August 14, 2024

FROM: David B. Saucier
Director of Investments

RE: 2023 Annual Program Review

Section 166.450 of the Revised Statutes of Missouri requires the Director of Investments of the State Treasurer's office to annually review the Missouri MOST 529 Education Program ("MOST") and report those findings to the MOST Board ("Board"). The director must review five areas:

- Board administration
- Financial status
- Investment policy
- Participation rate
- Continued viability

Accordingly, I am pleased to report the following from my review for calendar year 2023.

I. Board Administration

Ascensus Government Savings Recordkeeping Services, LLC serves as MOST's program manager, record-keeper, distributor and servicing agent. Together with its affiliates, Ascensus Government Savings has overall responsibility for the day-to-day operations of the plan. Ascensus Government Savings assumed responsibility as recordkeeping and servicing agent, for both the Direct and Advisor Plans on June 3, 2006. On February 7, 2011, the Board entered into another contract with Ascensus Government Savings extending through June of 2016.

A RFP for program management services was issued in 2015. On February 8, 2016, a new contract was entered into with Ascensus Government Savings extending the contract service period to June of 2021. Under the terms of the 2016 contract, the Advisor Plan was eliminated and the participants were migrated into the Direct Plan.

In June of 2020, the Board entered into a new contract with Ascensus Government Savings extending the contract service period to June of 2026.

In addition, the Board met quarterly during 2023, as required by law.

II. Financial Status

Below is a review of the financial status of our major partners and a summary of the investment performance of the investment options within the MOST plan.

A. Financial Status of MOST Partners

Ascensus Government Savings is part of Ascensus, Inc., the largest independent retirement and college savings services provider in the United States, helping over 14 million Americans save for the future. With more than 40 years of experience, the firm partners with state governments and financial institutions to offer tailored solutions that meet the needs of financial professionals, employers, and individuals. Ascensus specializes in recordkeeping, administrative, and program management services. As of 3/31/24, the Government Savings organization supported forty-four 529 education savings plans across 27 states and the District of Columbia. This translates to servicing 7.1 million 529 college savings accounts, with total 529 assets under management of over \$203 billion.

The investment manager for the Direct Plan, The Vanguard Group, Inc., remains a strong franchise. Vanguard is one of the world's largest investment companies, offering about 423 low-cost traditional funds and ETFs. As of June 30, 2024, more than 50 million investors have entrusted Vanguard with more than \$9.5 trillion in global assets under management. Vanguard continues to be a leader in the 529 plan industry, evidenced by over \$159 billion in 529 savings and pre-paid tuition plan assets under management. Headquartered in Malvern, Pennsylvania, Vanguard has about 20,000 employees spread across 16 locations worldwide.

B. Performance of MOST Underlying Funds

Overall, 2023 saw positive performance from both the equity and fixed income underlying funds. The equity funds' performance ranged from +11.47% to +26.05%, while the fixed income results were from +2.66% to +8.85%. The results show much better performance from the equity and fixed income underlying funds compared to 2022. Generally speaking, 2023 was a strong year from an investment perspective.

In 2023, the returns on the plan's portfolios – available to participants - ranged from a +2.48% to +25.85%. All 21 portfolios notched a positive return for the year.

Treasurer Malek's office is responsible for monitoring the relative performance of each of the underlying investment portfolios versus an established benchmark. This effectively measures the contribution that the investment manager's expertise has on participants' returns. During calendar year 2023, absolute returns were all positive while one of the portfolios also saw positive relative returns. All but one of the portfolios performed as expected or slightly below its benchmark due to fees. There was one actively-managed fund that trailed its benchmark by more than 250 basis points for one quarter. While index funds are expected to be at or slightly below benchmark, depending on the extent to which they stray from exact matching of the index, actively-managed funds are expected to exceed those benchmarks.

III. Investment Policy

In mid-2007, the Board adopted a formal investment policy governing program investment. The policy establishes objectives for structuring the investment options; formulates policies for

selecting appropriate investment managers and the use of specific investment vehicles; and establishes an investment-performance process for underlying funds in the Plan. The policy is an important statement by the Board in terms of defining its fiduciary responsibilities and standards for Treasurer Malek's office staff and MOST partners.

The investment policy has been amended over the years. In 2008, the Board modified the policy to allow the Director of Investments, rather than the Board, to place a fund on, or release it from, the "Watch List".

In August 2011, the Board lengthened a fund's formal review period – increasing it to three consecutive quarters from two - when looking at relative benchmark performance for the Watch List.

In June 2016, a new Investment Policy was adopted by the Board when the Advisor Plan participants were merged into the Direct Plan and the Advisor Plan was eliminated.

In September 2019, a new version of the investment policy was adopted by the Fitzpatrick Administration, after review, with no substantive changes.

A review of the Policy was conducted in 2022 as required, with no substantive changes made - only changes to marketing responsibilities for the program.

IV. Participation Rate

The following is an examination of the participation rate of the MOST program. By examining the participation rate for the program, we can attempt to gauge the relative success the program has had in reaching the state's residents and encouraging them to increase 529 savings - the original goal of the IRS section authorizing these types of programs. The relative success or failure of states' various 529 programs rests on many different varying factors including the effectiveness of marketing efforts, availability of a state tax deduction, demographic and economic conditions, and cost structures. However, one facet that has remained a constant is the competition for assets among states' program managers, which remains fierce.

A. Growth of Plan in calendar year 2023

The equity markets were up significantly in 2023 after 2022's downturn.

- The DOW was up 16.2%
- The S&P 500 was up 26.3%
- Nasdaq was up 44.7%

The MOST Plan was positively impacted by this market activity in 2023. Assets under management increased by 13.1% during the year - ending 2023 at just over \$4.0 billion.

The number of accounts in the Plan continued to grow in 2023. The Plan experienced a 1.9% net increase in accounts, closing the year out at 192,030 accounts. The vast majority of accounts are Missouri residents which account for 90% of account ownership.

MOST plan participants continue to contribute to their accounts in a meaningful way. Total contributions for the year were up 3.4% compared to 2022, and came in at \$400 million. We are

pleased to see that Missourians continued to invest in the Plan, despite recent inflation, elevated housing costs and other uncertain market conditions.

Total withdrawals for 2023 were at \$449 million, up \$54 million from last year.

B. Comparison of MOST Participation to National Trends

Market conditions improved greatly in 2023 from the previous year, and this had a positive impact on the plan's growth.

As the market conditions improved, the MOST Plan demonstrated strong organic growth. The plan added 14,200 new beneficiary accounts in 2023 (compared to 12,998 in 2022). This represents a 9.25% increase from last year. According to ISS Market Insight (Strategic Insight), in 2023 the average direct sold 529 plan added 15.3% more accounts during 2023.

V. Continued Viability

The MOST 529 Plan remains a viable 529 savings program – aided by the strong partnership with Ascensus and Vanguard. In Ascensus Government Savings' over 18 years of program management, we have experienced strong trends in asset and account growth despite the market turmoil we have experienced.

Additionally, the current contract with Vanguard has built-in fee reductions which makes the plan more cost efficient for the participant.

In recent years, the federal 529 legislation has expanded the qualified uses of a 529 to also include:

- K-12 expenses (*public, private, and religious*)
- Repayment of student loans (*lifetime limit of \$10K per individual*)
- Registered apprenticeship
- The ability to rollover assets into a ROTH IRA (*2024*)

We expect this additional flexibility will continue to help alleviate any concerns about what to do if the beneficiary doesn't go to college and encourage Missourians to open MOST accounts.

Overall, Missouri's MOST 529 Plan remains not only viable, but well positioned for growth as one of the premiere plans in the country.

MOST: Missouri’s 529 Education Plan

Plan Summary
As of 6/30/2024

Section

I. Portfolio Performance and Allocations

II. Underlying Fund Performance

Portfolio Performance													
As of 6/30/2024								Annualized Returns					
ID #	Inception D..	Asset F..	Portfolio Name	1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	ITD	Assets	% of Plan
1280	06/02/2006	0.19%	Vanguard Aggress Growth	1.55	2.26	10.14	18.07	4.82	10.65	8.94	7.67	\$660,600,551	15.34%
			MOST Aggressive Growth Composite	1.76	2.32	10.25	18.63	5.21	11.14	9.36	8.07		
			Fund Performance Relative to Benchmark	-0.21	-0.07	-0.11	-0.56	-0.39	-0.49	-0.42	-0.40		
1281	06/02/2006	0.19%	Vanguard Growth	1.39	1.79	7.89	14.97	3.38	8.52	7.52	6.91	\$355,128,774	8.24%
			MOST Growth Composite	1.58	1.86	8.03	15.47	3.76	9.05	7.97	7.31		
			Fund Performance Relative to Benchmark	-0.19	-0.06	-0.14	-0.50	-0.38	-0.53	-0.45	-0.40		
1282	06/02/2006	0.19%	Vanguard Moderate Growth	1.26	1.33	5.72	11.92	1.92	6.36	6.07	6.07	\$358,781,219	8.33%
			MOST Moderate Growth Composite	1.40	1.38	5.85	12.36	2.25	6.87	6.49	6.45		
			Fund Performance Relative to Benchmark	-0.15	-0.06	-0.12	-0.44	-0.32	-0.51	-0.41	-0.38		
1283	06/02/2006	0.19%	Vanguard Conserv Growth	1.11	0.86	3.55	8.89	0.40	4.13	4.52	5.08	\$325,037,301	7.55%
			MOST Conservative Growth Composite	1.22	0.91	3.69	9.30	0.67	4.60	4.92	5.46		
			Fund Performance Relative to Benchmark	-0.11	-0.04	-0.14	-0.41	-0.27	-0.46	-0.40	-0.38		
1284	06/02/2006	0.19%	Vanguard Income	0.94	0.39	1.44	5.93	-1.25	1.87	2.93	4.01	\$308,670,088	7.17%
			MOST Income Composite	1.04	0.42	1.56	6.29	-0.95	2.24	3.29	4.41		
			Fund Performance Relative to Benchmark	-0.10	-0.03	-0.12	-0.36	-0.29	-0.38	-0.36	-0.40		
1285	06/02/2006	0.19%	Vanguard Conserv Income	0.63	0.37	0.37	3.48	-0.68	0.82	1.51	2.66	\$355,412,166	8.25%
			MOST Conservative Income Composite	0.68	0.46	0.62	3.94	-0.45	1.03	1.73	3.00		
			Fund Performance Relative to Benchmark	-0.05	-0.08	-0.24	-0.46	-0.23	-0.22	-0.21	-0.35		
1286	06/02/2006	0.17%	Vanguard Interest Accum	0.22	0.68	1.36	2.69	2.02	2.00	1.56	1.62	\$259,687,444	6.03%
			MOST Interest Accumulation Comp	0.34	0.99	1.90	3.48	2.28	2.21	1.56	1.64		
			Fund Performance Relative to Benchmark	-0.11	-0.31	-0.54	-0.79	-0.25	-0.22	-	-0.02		
1584	06/02/2011	0.19%	Total Bond Market Index	0.91	0.08	-0.73	2.59	-3.16	-0.36	1.15	1.57	\$37,494,391	0.87%
			Spliced Bloomberg USAgg Flt Adjlx	0.92	0.08	-0.64	2.73	-2.99	-0.18	1.38	1.88		
			Fund Performance Relative to Benchmark	-0.01	0.01	-0.08	-0.14	-0.17	-0.18	-0.23	-0.31		
1585	06/02/2011	0.17%	Total Stock Market Idx Pf	3.15	3.21	13.52	23.04	7.78	13.91	11.91	12.94	\$519,533,766	12.06%
			Spliced Inst Total Stock Market Idx	3.14	3.25	13.58	23.17	7.91	14.07	12.11	13.09		
			Fund Performance Relative to Benchmark	0.01	-0.03	-0.06	-0.13	-0.13	-0.16	-0.19	-0.14		
1586	06/02/2011	0.22%	Total Int'l Stk Idx	-0.91	0.75	5.05	10.85	0.23	5.62	3.86	4.36	\$46,969,832	1.09%
			Spl Total International Stock Index	-0.31	0.86	5.24	11.68	0.48	5.87	4.12	4.51		
			Fund Performance Relative to Benchmark	-0.60	-0.11	-0.19	-0.83	-0.25	-0.25	-0.26	-0.15		
1587	11/25/2013	0.22%	Total Intl Bond Idx Port	0.57	-0.65	-0.57	4.24	-2.13	-0.54	1.74	1.97	\$3,827,735	0.09%
			Bloomberg GA ex-USD FIAdjRIC Cp Hgd	0.73	-0.39	-0.31	4.69	-1.87	-0.25	2.12	2.37		
			Fund Performance Relative to Benchmark	-0.16	-0.25	-0.26	-0.45	-0.26	-0.29	-0.37	-0.41		
1588	04/08/2016	0.37%	DFA U.S. LARGE CAP VALUE	-1.27	-2.98	7.81	15.86	6.17	9.49		10.36	\$91,250,717	2.12%
			Russell 1000 Value Index	-0.94	-2.17	6.62	13.06	5.52	9.01		9.89		
			Fund Performance Relative to Benchmark	-0.33	-0.81	1.19	2.80	0.65	0.48		0.47		
1589	04/08/2016	0.42%	DFA U.S. SMALL CAP	-1.63	-2.86	2.02	11.49	3.06	9.72		9.90	\$49,061,800	1.14%
			Russell 2000 Index	-0.93	-3.28	1.73	10.06	-2.58	6.94		9.37		
			Fund Performance Relative to Benchmark	-0.70	0.42	0.29	1.43	5.64	2.78		0.53		
1590	04/08/2016	0.39%	DFA INTL CORE EQUITY	-2.84	-0.50	4.10	11.34	2.40	6.83		7.24	\$47,781,034	1.11%
			MSCI World Index ex US	-1.63	-0.36	5.36	11.82	3.39	7.11		7.82		
			Fund Performance Relative to Benchmark	-1.21	-0.15	-1.26	-0.48	-0.99	-0.27		-0.58		
1591	04/08/2016	0.29%	DFA US CORE EQUITY	1.89	1.96	12.59	22.00	8.61	13.85		13.63	\$83,745,955	1.94%
			Russell 3000 Index	3.10	3.22	13.56	23.13	8.05	14.14		14.13		
			Fund Performance Relative to Benchmark	-1.21	-1.26	-0.96	-1.12	0.56	-0.30		-0.50		
1592	04/08/2016	0.32%	DFA 2YR GLOBAL FIXED INC	0.46	1.38	2.70	5.45	1.30	1.12		1.20	\$3,895,789	0.09%
			FTSE WGBI Index USD	-0.03	-1.58	-3.96	-0.63	-6.92	-3.20		-1.32		
			Fund Performance Relative to Benchmark	0.49	2.96	6.66	6.08	8.22	4.32		2.52		
2081	10/20/2017	0.19%	Vanguard Aggressive	1.46	2.06	8.99	16.47	4.08	9.58		8.56	\$94,555,363	2.20%
			MOST 529 Aggressive Composite	1.67	2.09	9.14	17.04	4.50	10.11		9.05		
			Fund Performance Relative to Benchmark	-0.21	-0.03	-0.14	-0.58	-0.41	-0.53		-0.49		
2082	10/20/2017	0.19%	Vanguard Blended Growth	1.36	1.55	6.81	13.46	2.64	7.46		6.95	\$187,136,748	4.34%
			MOST 529 Blended Growth Composite	1.49	1.62	6.94	13.91	3.01	7.97		7.41		
			Fund Performance Relative to Benchmark	-0.13	-0.07	-0.12	-0.45	-0.37	-0.51		-0.47		

Portfolio Performance													
As of 6/30/2024							Annualized Returns						
ID #	Inception D..	Asset F..	Portfolio Name	1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	ITD	Assets	% of Plan
2083	10/20/2017	0.19%	Blended Mod Growth Port	1.15	1.08	4.62	10.37	1.09	5.23		5.21	\$244,147,272	5.67%
			MOST 529 Blended Mod Gr Composite	1.31	1.14	4.76	10.82	1.47	5.74		5.69		
			Fund Performance Relative to Benchmark	-0.16	-0.07	-0.15	-0.46	-0.38	-0.52		-0.48		
2084	10/20/2017	0.19%	Vanguard Conservative	1.05	0.64	2.45	7.44	-0.47	2.99		3.46	\$186,408,928	4.33%
			MOST 529 Conservative Composite	1.13	0.67	2.62	7.79	-0.13	3.43		3.87		
			Fund Performance Relative to Benchmark	-0.09	-0.02	-0.17	-0.35	-0.34	-0.44		-0.41		
2085	10/20/2017	0.19%	Vanguard Blended Income	0.90	0.18	0.45	4.49	-2.01	0.73		1.65	\$88,523,497	2.06%
			MOST Blended Income Composite	0.95	0.18	0.51	4.81	-1.79	1.04		1.97		
			Fund Performance Relative to Benchmark	-0.05	0.00	-0.06	-0.31	-0.22	-0.31		-0.32		

Total Assets: \$4,307,650,370

*Inception-to-date (ITD) returns for less than one year are not annualized

Underlying Fund Performance											
As of 6/30/2024						Annualized Returns					
ID #	Inception ..	Security Name	1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	ITD	Assets
222	09/18/1995	Total Bond Mkt Index Inst	0.94	0.18	-0.61	2.77	-2.99	-0.19	1.35	4.18	\$37,494,391
		Spliced Bloomberg USAgg Flt Adjlx	0.92	0.08	-0.64	2.73	-2.99	-0.18	1.38	4.25	
660	02/17/2009	Tot Bond Mkt II Indx Inst	0.96	0.20	-0.60	2.71	-3.00	-0.25	1.31	2.49	\$855,426,635
		Spliced Bloomberg USAgg Flt Adjlx	0.92	0.08	-0.64	2.73	-2.99	-0.18	1.38	2.60	
871	05/31/2001	Ist Tt St Mk Idx Ist Plus	3.15	3.25	13.59	23.23	7.95	14.09	12.14	8.92	\$1,588,114,649
		Spliced Inst Total Stock Market Idx	3.14	3.25	13.58	23.17	7.91	14.07	12.11	8.86	
1287	06/02/2006	Missouri Vanguard S-T Res	0.24	0.72	1.43	2.88	2.18	2.16	1.75	1.92	\$348,875,213
		Inst Money Market Funds Average	0.41	1.24	2.48	5.12	2.93	2.03	1.42	1.38	
1867	10/17/2012	STerm Inf Pro Sec Idx Ins	0.59	1.43	2.29	5.35	2.14	3.13	2.00	1.77	\$63,862,594
		Bloomberg US 0-5 Year TIPS Index	0.62	1.41	2.26	5.37	2.15	3.16	2.03	1.77	
1870	11/30/2010	Tot Intl Stock Ix Inst Pl	-0.87	0.80	5.15	11.01	0.37	5.79	4.06	5.20	\$739,986,009
		Difference Due to Fair Value Pricing	-0.52	-0.17	0.01	-0.44	-0.05	-0.01	-	0.01	
		Spl Total International Stock Index	-0.31	0.86	5.24	11.68	0.48	5.87	4.12	5.21	
2011	05/31/2013	Tot Intl Bond Ix Institl	0.61	-0.58	-0.49	4.43	-1.96	-0.37	1.97	2.15	\$398,155,584
		Difference Due to Fair Value Pricing	0.03	0.03	0.04	-0.03	0.03	-	-	-0.01	
		Bloomberg GA ex-USD FIAdjRIC Cp Hgd	0.73	-0.39	-0.31	4.69	-1.87	-0.25	2.12	2.32	
2186	02/19/1993	DFA US Large Cap Value I	-1.26	-2.96	7.90	16.03	6.34	9.64	8.39	9.91	\$91,250,717
		Russell 1000 Value Index	-0.94	-2.17	6.62	13.06	5.52	9.01	8.23	9.50	
2762	09/15/2005	DFA International Core Equity I	-2.84	-0.47	4.18	11.52	2.56	6.99	4.54	5.38	\$47,781,034
		MSCI World Index ex US Net	-1.66	-0.60	4.96	11.22	2.82	6.55	4.27	4.85	
2787	03/19/1992	DFA US Small Cap I	-1.62	-2.80	2.11	11.66	3.23	9.89	7.97	10.11	\$49,061,800
		Russell 2000 Index	-0.93	-3.28	1.73	10.06	-2.58	6.94	7.00	-	
3694	02/09/1996	DFA Two-Year Global Fixed-Income I	0.42	1.34	2.71	5.57	1.47	1.30	1.25	2.74	\$3,895,789
		FTSE WGBI Index USD	-0.03	-1.58	-3.96	-0.63	-6.92	-3.20	-1.20	2.88	
3695	09/15/2005	DFA US Core Equity 1 I	1.90	1.98	12.67	22.15	8.76	13.99	11.51	10.07	\$83,745,955
		Russell 3000 Index	3.10	3.22	13.56	23.13	8.05	14.14	12.15	10.19	

Schedule of Investments as of date 2024-06-30

Fund Name	Security Type	Issuer Name	Rate	Duration(yrs)/ FinalMaturity	Ratings S&P	Ratings Moody's	Market Value	Contract Value	Exposure To Fund %	Issuer
Missouri 529 Plan	Synthetics	American General Life	2.85	3.38	A+	A2	\$25,007	\$26,673	7.63%	0.48%
		Citibank	2.76	3.38	A+	Aa3	\$20,059	\$21,417	6.12%	0.39%
		JPMorgan Chase	2.9	3.43	A+	Aa3	\$28,179	\$29,998	8.58%	0.52%
		Massachusetts Mutual	2.84	3.38	AA+	Aa3	\$31,685	\$33,808	9.67%	0.61%
		Metropolitan Tower life	2.84	3.42	AA-	Aa3	\$20,411	\$21,799	6.23%	0.40%
		Nationwide Life	2.79	3.38	A+	A1	\$31,910	\$34,113	9.75%	0.63%
		New York Life Insurance	2.65	3.40	AA+	Aaa	\$27,117	\$29,115	8.33%	0.57%
		Pacific Life Insurance	2.79	3.38	AA-	Aa3	\$26,449	\$28,268	8.08%	0.52%
		Prudential Insurance	2.84	3.38	AA-	Aa3	\$29,829	\$31,830	9.10%	0.57%
		State Street Bank	2.8	3.38	AA-	Aa3	\$30,875	\$32,990	9.43%	0.60%
		Transamerica Life Insurance	2.87	3.39	A+	A1	\$24,228	\$25,837	7.39%	0.46%
	Synthetics	Total Alternative Investment Contracts	2.81	3.39yrs	AA	Aa1	\$295,747	\$315,849	90.32%	5.75%
	Traditionals	Metropolitan Life	1.95	17-01-2025	AA-	Aa3		\$1,604	0.46%	
			2.52	14-02-2025	AA-	Aa3		\$965	0.28%	
			2.55	07-03-2025	AA-	Aa3		\$1,219	0.35%	
			3.33	31-03-2025	AA-	Aa3		\$1,818	0.52%	
			3.66	17-04-2025	AA-	Aa3		\$1,785	0.51%	
			3.7	28-04-2025	AA-	Aa3		\$1,103	0.32%	
			3.75	27-05-2025	AA-	Aa3		\$1,869	0.53%	
			4.9	05-02-2027	AA-	Aa3		\$947	0.27%	
		New York Life Insurance	2.5	11-03-2025	AA+	Aaa		\$1,784	0.51%	
			3.4	07-04-2025	AA+	Aaa		\$3,642	1.04%	
			3.97	13-06-2025	AA+	Aaa		\$975	0.28%	
		Total - Traditional Investment Contracts	3.26	0.86yrs	AA	Aa2		\$17,711	5.06%	
	Cash	VGI Federal Money Market	5.3		AA+	Aaa		\$16,149	4.62%	
	Portfolio Totals	Portfolio Totals	2.95	3.10yrs	AA	Aa1		\$349,709	100.00%	
	Net Yield	Net Yield	2.95							