West Virginia College Prepaid Tuition and Savings Program

A Program of the State of West Virginia
Administered by the Office of the West Virginia State Treasurer

Quarterly Status Report Period Ending December 31, 2018

Board Members

Ex Officio Members:
WV State Treasurer - Chairman, John D. Perdue
WV Higher Education Policy Commission - Colleges & Universities, Brian Weingart
WV Higher Education Policy Commission - Community and Technical Colleges, Dr. Keith Cotroneo

Appointed Members:
Interests of private institutions of higher education – Terri Rader
Private Citizen (2) – Robert Galloway and Phyllis Arnold
General Public (2) – Chuck Smith [one vacant]

Information contained herein is provided by The Hartford, the West Virginia Investment Management Board, Intuition Systems and WVOASIS and has not been audited by an independent certified public accounting firm.
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Per W. Va. Code §18-30-10, the West Virginia College Prepaid Tuition and Savings Program is herewith electronically submitting a quarterly report on the status of the program to the West Virginia Legislative Librarian in compliance with W. Va. Code §4-1-23.

Savings Plan Trust Fund
During the quarter, the SMART529 Savings Plan added 1,458 accounts ending the period with 118,141 active nationwide accounts. The assets are valued at $2,389,374,172.

Of the nationwide accounts, 33,744 are West Virginia resident accounts with a total value of $509,809,728.

Prepaid Tuition Trust Fund
The West Virginia Prepaid Tuition Plan ended this period with 2,322 active accounts with assets valued at $36,709,796. During the quarter, there were $2,403,292 in qualified tuition benefit distributions and receipts of $15,230. Prepaid Tuition Trust Fund investments earned $395,523 during the quarter.

Prepaid Tuition Trust Fund Escrow Account
The Prepaid Tuition Trust Escrow Account was created to guarantee payment of Prepaid Tuition Plan contracts. The Escrow Account will receive transfers of up to one million dollars from the Unclaimed Property Trust Fund each year there is an actuarially determined unfunded liability in the Prepaid Tuition Trust Fund.

<table>
<thead>
<tr>
<th>Last Quarter</th>
<th>This Quarter</th>
<th>Fiscal Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value</td>
<td>$23,442,608</td>
<td>$23,586,471</td>
</tr>
<tr>
<td>Change from previous quarter/year</td>
<td>$1,140,162</td>
<td>$143,863</td>
</tr>
</tbody>
</table>

Administrative Account
The Administrative Account, established in the State Treasurer’s Office, is used for the purpose of implementing, operating, and maintaining the Trust Funds and the Program. It may receive funds from a variety of sources including fees, charges, and penalties collected by the Board.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>$2,827,477</td>
</tr>
<tr>
<td>Receipts from Savings Plan Trust (WV Administrative Charge)</td>
<td>$366,571</td>
</tr>
<tr>
<td>Expense Disbursements</td>
<td>$ (379,557)</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$2,814,491</td>
</tr>
</tbody>
</table>
Community Outreach

In November, the West Virginia State Treasurer’s Office and Mission West Virginia presented 12 children with SMART529 college savings awards as part of the SMART START adoption award program. The SMART START award helps boost college savings for children adopted from the state’s foster care system. This is the fourth year for the project started by State Treasurer John Perdue and funds for the award are a result of the annual SMART 5.29K Run/Walk.

SMART529 booths were held at the CAMC Teddy Bear Fair (Charleston) and the Sharon Dawes Elementary Kiddie Fair.