
MARCH 20, 2014

**AGENDA ITEM 4
ACTION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Resolution to Enter into a Contract with Investment Consultant

Recommendation

ScholarShare Investment Board (SIB or Board) staff recommends that the Board adopt Resolution No. 2014-02, authorizing the Executive Director to enter into a contract with Pension Consulting Alliance, Inc. (PCA) for investment consulting services for SIB.

Background

At the September 12, 2013 Board meeting, the Board authorized the Executive Director to issue a request for proposals (RFP) for investment consulting services for the Board. RFP No. SIB 14-13 was released on December 17, 2013 with proposals received on January 16, 2014. The RFP was advertised through a number of channels, including posting on the California State Contracts Register and SIB's own website. It was also distributed to a list of interested parties, and the listserv for both SIB and the College Savings Plans Network. Four responsive proposals were scored by an evaluation panel that included representatives from SIB and the State Treasurer's Office, with points awarded in the following four areas:

- Bidder's Background Information
- Experience in Investment Consultation
- Cost
- Interview

The firm that earned the highest score was PCA and specific strengths of their proposal included:

- Strong background and experience in investment consulting services
- Competitive pricing

The term of the contract is from April 17, 2014 through April 16, 2016 with an option to extend for one additional year. The maximum amount for the two-year contract is \$195,000.00.

Presenter

Stanley Zeto, Deputy Executive Director, ScholarShare Investment Board

RESOLUTION NO. 2014-02

**RESOLUTION OF THE SCHOLARSHARE INVESTMENT BOARD
RELATING TO THE APPROVAL TO ENTER INTO A
CONTRACT WITH AN INVESTMENT CONSULTANT**

WHEREAS, the ScholarShare Investment Board (the “Board”) is authorized under Education Code Section 69981 (c)(2) to enter into contracts necessary for the administration of the ScholarShare Trust;

WHEREAS, pursuant to Education Code Section 69982 (b), the Board has the authority to contract for consultants which are necessary for the purpose of rendering professional and technical assistance and advice to the Board;

WHEREAS, Education Code Section 69981(c)(10) provides, in part, that the Board may authorize the Executive Director to enter into contracts on behalf of the Board or conduct any business necessary for the efficient operation of the Board;

WHEREAS, an investment consultant is needed to provide the Board with knowledge and advice pertaining to investment markets, vehicles, performance, trends, and policies, as well as assisting the Board in upholding its fiduciary responsibilities to ScholarShare College Savings Plan account owners;

WHEREAS, the Board has previously entered into agreements to receive investment advice, and the Board is currently under contract with an investment consultant until April 16, 2014;

WHEREAS, the Board passed Resolution No. 2013-04 at the September 12, 2013 Board meeting authorizing the Executive Director to issue a request for proposals (RFP) for an investment consultant; and

WHEREAS, Pension Consulting Alliance, Inc. (PCA) earned the highest score of all the responsive bid proposals submitted in response to RFP No. SIB 14-13;

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to enter into a contract with PCA for investment consulting services.

Attest: _____
Chairperson

Date of Adoption: _____