
MARCH 20, 2014

**AGENDA ITEM 5
ACTION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Resolution to Approve Changes to the ScholarShare Statement of Investment Policy

Recommendation

Pension Consulting Alliance, Inc. (PCA) and ScholarShare Investment Board (SIB or Board) staff recommend that the Board adopt Resolution No. 2014-03 approving changes to the ScholarShare Statement of Investment Policy (Investment Policy).

Background

As part of SIB's annual review, SIB staff and PCA have reviewed the Investment Policy, including but not limited to, the Plan's purpose and objectives, the responsibilities of the Board, investment consultant and program manager, the program policies, and the addendums outlining the Plan's portfolios, underlying funds, and benchmarks. Following the review, SIB and PCA have determined that the Investment Policy continues to meet the goals and objectives of the Board, and is recommending a few clarifying changes and corrections that do not constitute any material changes to the purpose of the Investment Policy. The proposed changes are outlined in the redline version of the Investment Policy included in PCA's memo (Exhibit A).

Pending Board approval, the revised Investment Policy will take effect immediately.

Presenter

Jeremy Thiessen, Managing Director, Pension Consulting Alliance, Inc.

RESOLUTION NO. 2014-03

**RESOLUTION OF THE SCHOLARSHARE INVESTMENT BOARD
RELATING TO THE APPROVAL OF CHANGES TO THE
SCHOLARSHARE STATEMENT OF INVESTMENT POLICY**

WHEREAS, the ScholarShare Investment Board (the “SIB” or “Board”) was created under the provisions of Article 19 of the Education Code commencing with Section 69980 (the “Golden State ScholarShare Trust Act” or “Act”);

WHEREAS, Section 69984(a)(2)(B) of the Act provides that the Board shall annually prepare and adopt a written statement of investment policy and shall consider the statement of investment policy and any changes in the investment policy at a public hearing;

WHEREAS, the Board adopted the Golden State ScholarShare College Savings Trust Statement of Investment Policy (the “Investment Policy”) to define the program’s investment objectives and establish policies and procedures to meet investment objectives in a prudent manner; and

WHEREAS, the SIB staff and Board’s investment consultant (the “Consultant”) have reviewed the Investment Policy and are recommending changes as they relate to clarification of the responsibilities for the investment consultant and the benchmarks for the underlying funds;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the changes to the Investment Policy as recommended by SIB staff and the Consultant and as shown in the attachment to the Consultant’s memo dated February 27, 2014.

BE IT FURTHER RESOLVED that this Resolution becomes effective upon its adoption by the Board.

Attest: _____
Chairperson

Date of Adoption: _____