
DECEMBER 10, 2015

**AGENDA ITEM 9
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

*Review of Administrative Performance for the ScholarShare College Savings Plan for
Third Quarter 2015*

Background

The ScholarShare Investment Board (SIB or Board) reviews TIAA-CREF Tuition Financing, Inc.'s (TFI) administrative performance for the ScholarShare College Savings Plan (Plan) relative to pre-established performance criteria. These administrative performance criteria (Benchmarks) serve as performance goals for customer service areas such as correspondence and customer relationships, confirmations and statements, enrollment kit processing, check processing, account processing, website, call center, tax reporting, and systems.

TFI has provided its quarterly "Administrative Performance Report" comparing its performance during third quarter 2015 to the Benchmarks adopted by the Board. For the third quarter, TFI underperformed (by more than two percent) in one performance area, Calls Received – Answer Time Within 35 Seconds. An explanation for underperformance in this area is outlined in the memo provided by TFI.

Presenter

Vivian Tsai, Senior Director, TIAA-CREF Tuition Financing, Inc.



SCHOLARSHARE

CALIFORNIA'S 529 COLLEGE SAVINGS PLAN

Administrative Performance Report - Period Ending September 30, 2015

	Benchmark	1st Quarter 2015	2nd Quarter 2015	3rd Quarter 2015
Correspondence & Customer Relationships				
Financial Correspondence Received		1,345	1,076	1,061
Timeliness - Within 3 Days	95%	97%	99%	98%
Non-Financial Correspondence Received		634	789	596
Timeliness - Within 7 Days	99%	98%	99%	100%
E-mail Inquiries Received		225	182	166
Timeliness - Within 1 Day	85%	100%	100%	100%
Timeliness - Within 2 days	100%	100%	100%	100%
Service Concerns & Compliance Inquiries Received		3	0	0
Timeliness - Within 7 Days of receipt	100%	100%	N/A	N/A
Check Processing				
Purchases - Checks Received		19,467	17,275	17,387
Accuracy	98%	99%	100%	100%
Timeliness - Within 1 Day	98%	100%	100%	100%
Confirmations and Statements*				
Daily Confirmations		168,935	147,284	147,633
Accuracy	98%	100%	100%	100%
Timeliness - Within 5 Days following the transaction	100%	100%	100%	100%
Quarterly/Annual Account Statements ⁽¹⁾		268,542	262,225	266,128
Accuracy	98%	100%	100%	100%
Timeliness - Within 5 Days of print approval	100%	100%	100%	100%
Tax Reporting				
Federal Tax Reporting				
IRS Form 1099-Q (mailed by household) ⁽²⁾		25,950	N/A	N/A
Accuracy	100%	100%	N/A	N/A
Timeliness - Mailed by January 31st	98%	100%	N/A	N/A
Account Transaction Records Filed with IRS		37,803		
Accuracy	100%	100%	N/A	N/A
Timeliness - Delivered to IRS	98%	100%	N/A	N/A
State Tax Reporting				
Account Transaction Records Filed with CA FTB		37,803		
Accuracy	100%	100%	N/A	N/A
Timeliness - Delivered to FTB according to state law	98%	100%	N/A	N/A
Enrollment Kit Processing				
Enrollment Kits mailed		1,975	2,064	2,189
Timeliness - Within 5 Days of receipt	98%	100%	100%	100%
Call Center				
Calls Received		21,342	19,177	23,145
Answer Time - Within 35 Seconds	85%	87%	87%	82%
Abandonment Rate	< 3%	1%	1%	2%
Systems				
Availability		100%	100%	100%
Notification to the State within 1 Day	100%	100%	100%	100%
Nightly Cycle Timeliness - processed before 8am PT	98%	100%	100%	100%
Account Processing				
New Accounts - Enrollment Forms Received		766	729	634
Accuracy - not less than NQR score**	96%	97%	99%	100%
Timeliness - Within 1 Day	95%	100%	100%	100%
Redemptions - Requests Received		1,395	1,036	1,487
Accuracy - not less than NQR score**	97%	99%	100%	98%
Timeliness - Within 1 Day	95%	100%	100%	100%

*Includes printed materials and electronic delivery. Both statements and confirmations are also available electronically and email notifications are sent to the participants.

** NQR is National Quality Review, an independent organization that analyzes transaction quality; benchmark changes qtrly.

(1) Statements are mailed each January, April, July and October, including the previous quarter's activity.

(2) All tax forms are mailed, regardless of eTax preference.



Financial Services

To: Julio Martinez
Executive Director
ScholarShare Investment Board (SIB)

From: Jean Seidel
Senior Director, Operations
TIAA-CREF Tuition Financing, Inc.

cc: Vivian Tsai, TIAA-CREF TFI

Date: November 6, 2015

Subject: Q3 2015 Administrative Performance Report – Area of Underperformance

The Call Center was an area that underperformed SIB's administrative benchmarks by three percentage points in Q3 2015 as follows:

Call Center Operations

Calls Answered within Service Level

Benchmark: 85% within 35 seconds

Q3 Performance: 82% within 35 seconds

TFI underperformed this benchmark during the third quarter. Service level is affected by volumes, call arrival time and call duration. Forecasting models are in place to support the management of these factors and ensure appropriate staffing (number and shifts). Significant spikes in any of these categories can negatively affect Service Level. The severe market volatility that occurred over a number of days in late August and early September created such spikes and therefore had an overall impact to those months' performance.

Proposed Resolution: TFI continually reviews service levels and works collaboratively on taking the required steps to resolve any underperformance. Additional staff have been hired which will also assist in managing any potential spikes.