

MINUTES
SCHOLARSHARE INVESTMENT BOARD

June 15, 2017

Chair Alan Gordon called the meeting to order at 1:04 PM.

Present:

Members: Alan Gordon for John Chiang, State Treasurer
Justyn Howard for Michael Cohen, Finance Director, Department of Finance
David Sapp for Karen Stapf Walters, Executive Director,
State Board of Education
Hal Geiogue, Governor Appointee
Christopher Jennings, Speaker Appointee
Paul Martin, Governor Appointee – Member at Large

Present:

Staff: Julio Martinez, Executive Director, ScholarShare Investment Board
(SIB or Board)
Stanley Zeto, Deputy Executive Director, SIB
Mario Sierras, Manager, SIB
Diana Sanchez, SIB
Carolina Hernandez, SIB
Aaron Lester, SIB
Deborah Yang, Senior Attorney, State Treasurer’s Office (STO)

Consultants: Kay Ceserani, Principal, Pension Consulting Alliance, LLC (PCA)
Andrea Feirstein, Managing Director, AKF Consulting Group (AKF)
via teleconference

TFI: Vivian Tsai, Senior Director, Education Savings, TIAA-CREF Tuition Financing,
Inc. (TFI)
Linda English, Senior Director, TFI
Doug Harrison, Senior Director, Marketing and Sales, TFI
Yvette Haring, Team Manager, TFI
Glenn Friedman, Manager, TFI
via teleconference

Chair Gordon declared a quorum present.

Board Agenda Item Number One
Approval of Minutes from March 22, 2017 ScholarShare Investment Board Meeting

The minutes for the March 22, 2017 SIB meeting were presented to the Board.

Chair Gordon asked for public comment. There was none.

Board Action

Motion to approve the minutes for the March 22, 2017 ScholarShare Investment Board meeting.

MOTION:	Member Sapp	SECONDED:	Member Jennings
AYES:	Members Gordon, Howard, Sapp, Jennings,		
NOES:	None		
ABSTAIN:	Members Geiogue, Martin		
RECUSE:	None		

MOTION APPROVED

Board Agenda Item Number Two
Executive Director's Report

Mr. Stanley Zeto, SIB, provided updates on the accounts and assets for the ScholarShare College Savings Plan (Plan). Mr. Zeto also provided an update on recent contracts.

Mr. Julio Martinez, SIB, provided an update on recent 529 performance rankings by SavingforCollege.com and state and federal legislation. Member Geiogue inquired whether it would be possible for the Plan to move up further in the rankings. Ms. Andrea Feirstein, AKF, stated that rankings are based on investment performance so it would be possible to move up in the rankings.

Mr. Mario Sierras, SIB, provided recent marketing and outreach highlights. Mr. Sierras also provided an update on the Governor's Scholarship Programs.

Chair Gordon asked for public comment. There was none.

Board Agenda Item Number Three
Review and Analysis of Investment Performance for the ScholarShare College Savings Plan for First Quarter 2017

Mr. Glenn Friedman, TFI, presented TFI's Investment Performance Report for the Plan for first quarter 2017 comparing each underlying fund allocated to the portfolios in the Plan to applicable benchmarks. Mr. Friedman also provided a market overview for the first quarter of 2017.

Ms. Kay Ceserani, PCA, presented PCA's Investment Performance Status Report for the Plan for first quarter 2017. Ms. Ceserani provided a brief market overview and discussed the investment performance criteria. Ms. Ceserani also provided details about the funds which saw a change in status during first quarter and noted that no funds qualified for watch status during first quarter.

Chair Gordon asked for public comment. There was none.

Board Agenda Item Number Four
Marketing Update for the ScholarShare College Savings Plan

Mr. Doug Harrison, TFI, presented TFI's Marketing Update for the Plan, detailing marketing results through the first quarter of 2017 and highlighted various activities that took place during the first quarter including Scholar Dollars, school grant program and brand health. Mr. Harrison updated the Board on continuing research into the brand health of the Plan.

Ms. Yvette Haring, TFI, provided an update on activities with the field consultants.

Mr. Harrison responded to inquiries from the Board regarding brand health study.

Chair Gordon asked for public comment. There was none.

Board Agenda Item Number Five
Review of Administrative Performance for the ScholarShare College Savings Plan for First Quarter 2017

Ms. Vivian Tsai, TFI, presented TFI's Administrative Performance Report for the Plan for first quarter 2017 and reported that TFI did not underperform (by more than two percent) in any of the performance areas. Ms. Tsai outlined her new role at TFI and introduced Ms. Linda English, who has taken over as relationship manager for California. Ms. Tsai responded to the Board's inquiries regarding call center activities.

Public Comment

Chair Gordon called for public comment. There were none.

There being no further business before the Board, the Chair adjourned the meeting at 2:02 PM.