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**DECEMBER 13, 2018**

**AGENDA ITEM 6  
INFORMATION ITEM**

**SCHOLARSHARE INVESTMENT BOARD**

*Review of Administrative Performance for ScholarShare 529 for Third Quarter 2018*

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***Background***

The ScholarShare Investment Board (SIB or Board) reviews TIAA-CREF Tuition Financing, Inc.'s (TFI) administrative performance for ScholarShare 529 (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, confirmation 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 the third quarter of 2018 to the Benchmarks adopted by the Board. For the third quarter of 2018, TFI underperformed (by more than two percent) in one performance area, Call Center Answer Time - Within 35 seconds. Additionally, TFI underperformed the abandonment rate benchmark. An explanation for underperformance in these areas is included in the memo provided by TFI.

***Presenters***

Bernie McCrossan, Senior Director, TIAA-CREF Tuition Financing, Inc.  
Linda English, Senior Director, TIAA-CREF Tuition Financing, Inc.



Administrative Performance Report - Period Ending September 30, 2018

	Benchmark	4th Quarter 2017	1st Quarter 2018	2nd Quarter 2018	3rd Quarter 2018
<b>Correspondence &amp; Customer Relationships</b>					
Financial Correspondence Received		881	1,055	1,081	1,026
Timeliness - Within 3 Days	95%	100%	100%	100%	100%
Non-Financial Correspondence Received		123	63	125	118
Timeliness - Within 7 Days	99%	100%	98%	100%	100%
Email Inquiries Received		932	1,128	833	794
Timeliness - Within 1 Day	85%	100%	100%	100%	100%
Timeliness - Within 2 days	100%	100%	100%	100%	100%
Service Concerns & Compliance Inquiries Received		9	16	4	17
Timeliness - Within 7 Days of receipt	100%	100%	100%	100%	100%
<b>Check Processing</b>					
Purchases - Checks Received		21,098	24,688	19,819	21,076
Accuracy	98%	100%	100%	100%	100%
Timeliness - Within 1 Day	98%	100%	100%	100%	100%
<b>Confirmations and Statements*</b>					
Daily Confirmations		183,413	164,541	175,952	210,483
Accuracy	98%	100%	100%	100%	100%
Timeliness - Within 5 Days following the transaction	100%	100%	100%	100%	100%
Quarterly/Annual Account Statements <sup>(1)</sup>		309,510	305,468	312,602	315,947
Accuracy	98%	100%	100%	100%	100%
Timeliness - Within 5 Days of print approval	100%	100%	100%	100%	100%
<b>Tax Reporting</b>					
<b>Federal Tax Reporting</b>					
IRS Form 1099-Q (mailed by household) <sup>(2)</sup>		N/A	33,645	N/A	N/A
Accuracy	100%	N/A	100%	N/A	N/A
Timeliness - Mailed by January 31st	98%	N/A	100%	N/A	N/A
Account Transaction Records Filed with IRS			43,228		
Accuracy	100%	N/A	100%	N/A	N/A
Timeliness - Delivered to IRS	98%	N/A	100%	N/A	N/A
<b>State Tax Reporting</b>					
Account Transaction Records Filed with CA FTB			43,228		
Accuracy	100%	N/A	100%	N/A	N/A
Timeliness - Delivered to FTB according to state law	98%	N/A	100%	N/A	N/A
<b>Enrollment Kit Processing</b>					
Enrollment Kits mailed		1,567	863	1,218	1,033
Timeliness - Within 5 Days of receipt	98%	100%	100%	100%	100%
<b>Call Center</b>					
Calls Received		22,568	24,581	21,713	28,152
Answer Time - Within 35 Seconds	85%	88%	85%	84%	78%
Abandonment Rate	< 3%	2%	2%	2%	4%
<b>Systems</b>					
Availability		100%	100%	100%	100%
Notification to the State within 1 Day	100%	100%	100%	100%	100%
Nightly Cycle Timeliness - processed before 8am PT	98%	100%	100%	100%	100%
<b>Account Processing</b>					
New Accounts - Enrollment Forms Received		779	961	649	621
Accuracy - not less than NQR score**	97%	100%	98%	100%	100%
Timeliness - Within 1 Day	95%	100%	100%	100%	100%
Redemptions - Requests Received		1,113	1,246	955	1,229
Accuracy - not less than NQR score**	99%	100%	100%	100%	99%
Timeliness - Within 1 Day	95%	100%	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.



## Memorandum

TO

**Name**

Julio Martinez  
Executive Director  
ScholarShare Investment Board (SIB)

**Cc**

Linda English, TIAA-CREF TFI

**Re**

Q3 2018 Administrative Performance Report – Area  
of Underperformance

FROM

**Name**

Jean Seidel  
Director, Operations  
TIAA-CREF TFI

**Date**

November 1, 2018

The Call Center was an area that underperformed SIB's administrative benchmark by 7.28 percentage points as follows:

### Call Center Operations

#### Calls Answered within Service Level

**Benchmark: 85% within 35 seconds**

**Q3 2018 Performance: 77.72% within 35 seconds**

The below matrix provides a broader picture of our response time:

2018	July	August	September	3rd Quarter
Calls Offered	10,148	10,755	7,249	28,152
Calls Answered immediately	77.09%	71.98%	81.81%	76.35%
Calls Answered 0-35 Sec	80.55%	73.08%	80.14%	77.72%
Calls Answered 0-60 Sec	93.30%	87.84%	90.54%	90.50%

TFI underperformed the benchmark during the third.

During the course of July, August and September, we experienced unusually high spikes in call volumes and arrival times during only a couple of days within each month which negatively impacted our service level for the period. During those peaks, a number of calls had longer than average wait times. We consistently monitor calls and emails received from account owners and we did not receive any complaints regarding call wait times.

Efforts taken during August and September in the hiring and onboarding of staff have positively impacted the call time service level and, so far in the 4th quarter, service level is

87.5% service level for October. We will continue to actively manage the call center to ensure your account owners have a positive client experience both in response time and call quality.

Bernie McCrossan will be in attendance at the December 13, 2018 Board Meeting to provide additional context needed or answer any questions you may have.