
APRIL 4, 2019

**AGENDA ITEM 7
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Review of Administrative Performance for ScholarShare 529 for Fourth Quarter 2018

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 fourth quarter of 2018 to the Benchmarks adopted by the Board. For the fourth quarter of 2018, TFI's performance met the Benchmarks in all areas except one. For the third consecutive quarter, TFI underperformed in the "Call Center Answer Time - Within 35 seconds" area. As a result, TFI has provided a memo, which includes an explanation for underperformance in this area as well as the plan in place to remedy the underperformance.

Presenters

Bernie McCrossan, Senior Director, TIAA-CREF Tuition Financing, Inc.
Jean Seidel, Senior Director, TIAA-CREF Tuition Financing, Inc.



Administrative Performance Report - Period Ending December 31, 2018

	Benchmark	4th Quarter 2017	1st Quarter 2018	2nd Quarter 2018	3rd Quarter 2018	4th Quarter 2018
Correspondence & Customer Relationships						
Financial Correspondence Received		881	1,055	1,081	1,026	910
Timeliness - Within 3 Days	95%	100%	100%	100%	100%	100%
Non-Financial Correspondence Received		123	63	125	118	189
Timeliness - Within 7 Days	99%	100%	98%	100%	100%	99%
Email Inquiries Received		932	1,128	833	794	776
Timeliness - Within 1 Day	85%	100%	100%	100%	100%	100%
Timeliness - Within 2 days	100%	100%	100%	100%	100%	100%
Service Concerns & Compliance Inquiries Received		9	16	4	17	21
Timeliness - Within 7 Days of receipt	100%	100%	100%	100%	100%	100%
Check Processing						
Purchases - Checks Received		21,098	24,688	19,819	21,076	24,952
Accuracy	98%	100%	100%	100%	100%	100%
Timeliness - Within 1 Day	98%	100%	100%	100%	100%	100%
Confirmations and Statements*						
Daily Confirmations		183,413	164,541	175,952	210,483	208,036
Accuracy	98%	100%	100%	100%	100%	100%
Timeliness - Within 5 Days following the transaction	100%	100%	100%	100%	100%	100%
Quarterly/Annual Account Statements ⁽¹⁾		309,510	305,468	312,602	315,947	328,752
Accuracy	98%	100%	100%	100%	100%	100%
Timeliness - Within 5 Days of print approval	100%	100%	100%	100%	100%	100%
Tax Reporting						
Federal Tax Reporting						
IRS Form 1099-Q (mailed by household) ⁽²⁾		N/A	33,645	N/A	N/A	N/A
Accuracy	100%	N/A	100%	N/A	N/A	N/A
Timeliness - Mailed by January 31st	98%	N/A	100%	N/A	N/A	N/A
Account Transaction Records Filed with IRS			43,228			
Accuracy	100%	N/A	100%	N/A	N/A	N/A
Timeliness - Delivered to IRS	98%	N/A	100%	N/A	N/A	N/A
State Tax Reporting						
Account Transaction Records Filed with CA FTB			43,228			
Accuracy	100%	N/A	100%	N/A	N/A	N/A
Timeliness - Delivered to FTB according to state law	98%	N/A	100%	N/A	N/A	N/A
Enrollment Kit Processing						
Enrollment Kits mailed		1,567	863	1,218	1,033	1,101
Timeliness - Within 5 Days of receipt	98%	100%	100%	100%	100%	100%
Call Center						
Calls Received		22,568	24,581	21,713	28,152	21,589
Answer Time - Within 35 Seconds	85%	88%	85%	84%	78%	84%
Abandonment Rate	< 3%	2%	2%	2%	4%	3%
Systems						
Availability		100%	100%	100%	100%	100%
Notification to the State within 1 Day	100%	100%	100%	100%	100%	100%
Nightly Cycle Timeliness - processed before 8am PT	98%	100%	100%	100%	100%	100%
Account Processing						
New Accounts - Enrollment Forms Received		779	961	649	621	533
Accuracy - not less than NQR score**	94%	100%	98%	100%	100%	100%
Timeliness - Within 1 Day	95%	100%	100%	100%	100%	100%
Redemptions - Requests Received		1,113	1,246	955	1,229	882
Accuracy - not less than NQR score**	99%	100%	100%	100%	99%	100%
Timeliness - Within 1 Day	95%	100%	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

ScholarShare Investment Board (SIB)

Cc

Linda English, TIAA-CREF TFI

Bernie McCrossan, TIAA-CREF TFI

Re

Q4 2018 Administrative Performance Report – Area of Underperformance

FROM

Name

Jean Seidel

Director, Operations

TIAA-CREF TFI

Date

March 11, 2018

The Call Center was an area that underperformed SIB's administrative benchmark by 1.41 percentage points as follows:

Call Center Operations

Calls Answered within Service Level

Benchmark: 85% within 35 seconds

Q4 2018 Performance: 83.59% within 35 seconds

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

2018	October	November	December	4th Quarter
Calls Offered	7,848	5,952	9,210	23,010
Service Level 35 sec	87.47%	85.34%	79.08%	83.59%
% Answered Immediately	85.36%	84.30%	76.58%	81.57%
% Answered within 60 sec or less	89.16%	86.33%	80.90%	85.13%

As previously reported, efforts taken during August and September in the hiring and onboarding of staff positively impacted the call center as evident in the achievement of service level in October and November, 87.47% and 85.34% respectively. This impact carried through December up until the last 2 business days of the month.

The service level for the last three days of the month is as follows:

Day	SVL
December 27th	87.00%
December 28th	82.70%
December 31st	79.08%

December proved to be a very busy month. The average number of calls per day in December was 25% and 51% above October and November respectively. The average number of calls for 12/28 & 12/31 were 62% and 43% above the average number of calls per day for the rest of December respectively.

December volumes were flat for the same period last year but the arrival of call volume was not equally spread over the month. The last week of the year always presents the highest call volumes. There were a couple of days during the last week of 2018 that showed an increase of 10% and 22% respectively over the same days in 2017.

As mentioned, additional staff was hired and trained in preparation for 4th quarter and we were well positioned above where we were last year (93% increase).

We have maintained an increase in staff into 2019 and have reached service level for January and February, 89.8% and 89.2% respectively. 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. In addition, we will provide more frequent updates to the SIB staff on the status of service level.

Bernie McCrossan and Jean Seidel will be in attendance at the April 4, 2019 Board Meeting to provide additional context needed or answer any questions you may have.