
DECEMBER 19, 2019

**AGENDA ITEM 10
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Review of Administrative Performance for ScholarShare 529 for Third Quarter 2019

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 2019 to the Benchmarks adopted by the Board. For the third quarter of 2019, TFI underperformed (by more than two percent) in one performance area, Call Center Answer Time - Within 35 seconds. An explanation for underperformance in this area is included in the memo provided by TFI.

Presenter

Linda English, Senior Director, TIAA-CREF Tuition Financing, Inc.
Bernard McCrossan, Senior Director, TIAA-CREF Tuition Financing, Inc.
Jean Seidel, Senior Director, TIAA-CREF Tuition Financing, Inc.



ScholarShare529
Administrative Performance Report - Period Ending September 30, 2019

Correspondence & Customer Relationships	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
Financial Correspondence Received		910	1,070	910	953
Timeliness - Within 3 Days	95%	100%	100%	100%	100%
Non-Financial Correspondence Received		189	113	106	90
Timeliness - Within 7 Days	99%	99%	99%	100%	99%
Email Inquiries Received		776	875	6	0
Timeliness - Within 1 Day	85%	100%	100%	100%	NA
Timeliness - Within 2 days	100%	100%	100%	100%	NA
Service Concerns & Compliance Inquiries Received		21	23	3	6
Timeliness - Within 7 Days of receipt	100%	100%	100%	100%	100%
Check Processing	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
Purchases - Checks Received		24,952	24,426	23,402	23,416
Accuracy	98%	100%	100%	100%	100%
Timeliness - Within 1 Day	98%	100%	100%	100%	100%
Confirmations and Statements*	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
Daily Confirmations		208,036	218,948	192,483	110,717
Accuracy	98%	100%	100%	100%	100%
Timeliness - Within 5 Days following the transaction	100%	100%	100%	100%	100%
Quarterly/Annual Account Statements⁽¹⁾		328,752	328,752	211,733	211,733
Accuracy	98%	100%	100%	100%	100%
Timeliness - Within 5 Days of print approval	100%	100%	100%	100%	100%
Tax Reporting	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
Federal Tax Reporting					
IRS Form 1099-Q (mailed by household)⁽²⁾		N/A	37,996	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			55,975		
Accuracy	100%	N/A	100%	N/A	N/A
Timeliness - Delivered to IRS	98%	N/A	100%	N/A	N/A
State Tax Reporting		N/A		N/A	N/A
Account Transaction Records Filed with CA FTB			55,975		
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
Enrollment Kit Processing	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
Enrollment Kits mailed		1,101	786	1,120	892
Timeliness - Within 5 Days of receipt	98%	100%	100%	100%	100%
Call Center	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
Calls Received		21,589	21,336	21,974	32,240
Answer Time - Within 35 Seconds	85%	84%	89%	86%	80%
Abandonment Rate	< 3%	3%	2%	1%	2%
Systems	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
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%
Account Processing	Benchmark	4th Quarter 2018	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019
New Accounts - Enrollment Forms Received		533	515	694	866
Accuracy - not less than NQR score**	94%	100%	100%	100%	100%
Timeliness - Within 1 Day	95%	100%	100%	100%	100%
Redemptions - Requests Received		882	904	764	1,055
Accuracy - not less than NQR score**	99%	100%	100%	100%	100%
Timeliness - Within 1 Day	95%	100%	100%	100%	99%

*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

Q3 2019 Administrative Performance Report – Area of Underperformance

FROM

Name

Jean Seidel

Director, Operations

TIAA-CREF TFI

Date

November 19, 2019

For the period ending September 30, 2019, the Call Center underperformed SIB's administrative performance benchmark by 5.29 percentage points as follows:

Call Center Operations

Calls Answered within Service Level

Benchmark: 85% of calls answered within 35 seconds

Q3 2019 Performance: 79.71% within 35 seconds

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

2019	July	August	September	3rd Quarter
Calls Offered	11,646	11,062	9,532	32,240
Service Level 35 sec	83.39%	84.71%	69.34%	79.71%
% Answered Immediately	78.74%	81.17%	58.56%	73.64%
% Answered within 60 sec or less	86.63%	87.16%	77.07%	84.00%

July and August call volumes were within forecast although a large percentage of the calls were related to rebalance inquiries as well as the actual placing of rebalance transactions. These types of calls have a longer than average talk time which impacted the overall service level for the months.

The greatest impact to service level was the increased volume in September due to the positive response to the Back to School Promotion. As this was a new promotion, historical

information was not available in which to assist in a forecast (call arrival, call duration & call volume).

We continued to monitor caller satisfaction closely. Despite the business, callers did not express any decrease in satisfaction. To the contrary, they were pleased about the prospect of the promotion.

With the conclusion of the promotion, we saw call volumes realign with forecasts. October's service level was 90.73% and November's MTD service level is 90.25%

We understand the importance of achieving Call Center Service Level Standards. The challenges experienced in Q3 absolutely factored into the decision to transition to a new recordkeeper in early 2020.

Bernie McCrossan and Jean Seidel will be in attendance at the December 19, 2019, Board meeting to provide additional context needed or answer any questions you may have.