MINUTES SCHOLARSHARE INVESTMENT BOARD

MARCH 24, 2021

In light of the COVID-19 pandemic and in accordance with the requirements of Executive Order N-25-20 to provide social distancing at state body meetings, the ScholarShare Investment Board provided its members, participants, and members of the public the opportunity to participate in this meeting via teleconference.

Chair Fiona Ma called the meeting to order at 1:31 PM.

Present:

Members: Fiona Ma, State Treasurer, Chair (via teleconference)

Jennifer Whitaker for Keely Martin Bosler, Director, Department of Finance Lande Ajose for Brooks Allen, Executive Director, State Board of Education

(via teleconference)

Angela Acosta-Salazar, Senate Rules Committee Appointee (via teleconference)

Hal Geiogue, Governor Appointee, California Student Aid Commission

(via teleconference)

David Lizarraga, Speaker Appointee (via teleconference)

Paul Martin, Governor Appointee – Member at Large (via teleconference)

Present:

Staff: Julio Martinez, Executive Director, ScholarShare Investment Board

(SIB or Board) (via teleconference) Stanley Zeto, Deputy Executive Director, SIB

Lori Mattson, Manager, SIB

Noah Lightman, Manager, CSA Initiatives, SIB (via teleconference)

James Millward, SIB

Audrey Noda, Deputy Treasurer, State Treasurer's Office (via teleconference) Ravinder Kapoor, Senior Attorney, State Treasurer's Office (via teleconference)

Consultants: Eric White, Principal, Meketa Investment Group, Inc. (Meketa) (via teleconference)

Andrea Feirstein, Managing Director, AKF Consulting Group (AKF)

(via teleconference)

Soohyang Lee, Vice President, AKF (via teleconference)

TFI: Vivian Tsai, Senior Director, Head of Relationship Management,

TIAA-CREF Tuition Financing, Inc. (TFI) (via teleconference)

Linda English, Senior Director, TFI (via teleconference)

Doug Harrison, Senior Director, Marketing, TFI (via teleconference)

Jeremy Thiessen, Senior Director, Investment Strategies of Education Savings,

(TFI) (via teleconference)

Glenn Friedman, Director, TFI (via teleconference)

Kristin Murphy, Senior Marketing Manager (via teleconference) Gloria Yvette Haring, Team Manager, TFI (via teleconference)

Chair Ma declared a quorum present.

Board Agenda Item Number One Approval of Minutes from December 10, 2020 ScholarShare Investment Board Meeting

The minutes for the December 10, 2020 ScholarShare Investment Board meeting were presented to the Board.

Chair Ma asked for public comment. There was none.

Board Action

Motion to approve the minutes for the December 10, 2020 SIB meeting.

MOTION: Member Acosta-Salazar SECONDED: Member Geioque

AYES: Members Whitaker, Acosta-Salazar, Geiogue, Martin, Ma

NOES: None

ABSTAIN: Member Ajose

RECUSE: None

MOTION APPROVED

Board Agenda Item Number Two Executive Director's Report

Mr. Stanley Zeto, SIB, provided updates on accounts, contributions, and assets for ScholarShare 529 (Plan), as well as current contracts and request for proposals. Mr. Julio Martinez, SIB, provided general program updates including recent staff changes, performance rankings, and state legislation. Ms. Lori Mattson, SIB, provided updates on recent marketing and outreach initiatives.

Chair Ma asked for public comment. There was none.

Board Agenda Item Number Three Update on the California Kids Investment and Development Savings Program

Mr. Noah Lightman, SIB, provided updates on the California Kids Investment and Development Savings Program (CalKIDS), including a revised implementation timeline.

Chair Ma asked for public comment. There was none.

Board Agenda Item Number Four Resolution to Approve Changes to the ScholarShare Statement of Investment Policy

Mr. Martinez presented SIB staff's recommendation for the Board to adopt Resolution No. 2021-01, approving changes to the ScholarShare Statement of Investment Policy (Policy). Mr. Eric White, Meketa, presented Meketa memo outlining its recommended changes to the Policy as it relates to upcoming changes to the Enrollment Year Investment Portfolios.

Chair Ma asked for public comment. There was none.

Board Action

Motion to approve Resolution No. 2021-01 to approve changes to the ScholarShare Statement of Investment Policy.

MOTION: Member Whitaker SECONDED: Member Martin AYES: Members Whitaker, Ajose, Acosta-Salazar, Geiogue, Martin, Ma

NOES: None ABSTAIN: None RECUSE: None

MOTION APPROVED

Board Agenda Item Number Five Review and Analysis of Investment Performance for ScholarShare 529

Mr. Glenn Freidman, TFI, presented TFI's Investment Performance Report for the Plan for fourth quarter 2020 comparing each underlying fund allocated to the portfolios in the Plan to applicable benchmarks.

Mr. White presented Meketa's Investment Performance Status Report for the Plan for fourth 2020 and its watch memo that outlined Meketa's recommendation that the four funds currently on "watch" status remain on "watch" status.

Chair Ma asked for public comment. There was none.

Board Agenda Item Number Six 2021 Marketing Update for ScholarShare 529

Mr. Doug Harrison, TFI, presented TFI's Q4 2020 Marketing Results for the Plan, highlighting marketing results for the fourth quarter of 2020 and outlining the marketing activities planned for 2021. Ms. Yvette Haring, TFI, provided an update on recent employer outreach efforts.

Mr. Martinez and Mr. Harrison responded to a question from Member Martin regarding adjustments to marketing strategies to increase engagement and program participation, as well as provided clarification to Member Ajose about demographic data presented and outreach efforts to reach all California populations including underserved communities.

Chair Ma asked for public comment. There was none.

Board Agenda Item Number Seven Review of Administrative Performance for ScholarShare 529

Ms. Linda English, TFI, presented TFI's Administrative Performance Report for the Plan for fourth quarter 2020 relative to pre-established performance criteria and reported that TFI did not underperform in any of the performance areas.

Chair Ma asked for public comment. There was none.

Public Comment

Chair Ma called for public comment. There was none.

There being no further business before the Board, the Chair adjourned the meeting at 3:12 PM.