

**MINUTES
SCHOLARSHARE INVESTMENT BOARD**

June 23, 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 Audrey Noda called the meeting to order at 1:30 PM.

Present:

Members: Audrey Noda for 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)
David Lizarraga, Speaker Appointee (via teleconference)
Paul Martin, Governor Appointee – Member at Large (via teleconference)

Absent:

Members: Hal Geiogoue, Governor Appointee, California Student Aid Commission

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
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)

TFI: Vivian Tsai, Senior Director, Head of Relationship Management,
TIAA-CREF Tuition Financing, Inc. TFI
Linda English, Senior Director, TFI
Doug Harrison, Senior Director, Marketing, TFI
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, Director, TFI

Chair Noda declared a quorum present

Board Agenda Item Number One
Approval of Minutes from March 24, 2021 ScholarShare Investment Board Meeting

The minutes for the March 24, 2021 ScholarShare Investment Board (SIB) meeting were presented to the Board.

Chair Noda asked for public comment. There was none.

Board Action

Motion to approve the minutes for the March 24, 2021 SIB meeting.

MOTION:	Member Lizarraga	SECONDED:	Member Acosta-Salazar
AYES:	Members Whitaker, Ajose, Acosta-Salazar, Lizarraga, Martin, Noda		
NOES:	None		
ABSTAIN:	None		
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 federal and state legislation. Ms. Lori Mattson, SIB, provided updates on recent marketing and outreach initiatives.

Chair Noda 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 an update on the California Kids Investment and Development Savings Program (CaKIDS), including a revised implementation timeline.

Chair Noda asked for public comment. There was none.

Board Agenda Item Number Four
Resolution to Approve Removal of the TIAA-CREF High Yield Bond Fund and the PIMCO Income Fund from Watch Status; Review and Analysis of Investment Performance for ScholarShare 529

Mr. Martinez presented SIB staff's recommendation for the Board to adopt Resolution No. 2021-02 to approve the removal of the TIAA-CREF High Yield Bond Fund and the PIMCO Income Fund from watch status.

Mr. Glenn Friedman, TFI, presented TFI's Investment Performance Report for the Plan for first quarter 2021 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 first quarter 2021 and its watch memo that outlined Meketa's recommendation to remove two funds, the TIAA-CREF High Yield Bond Fund and the PIMCO Income Fund, from watch status. Mr. White also reported that the DFA Emerging Markets Core Equity Portfolio and TIAA Quant Small-Cap Equity Fund remain on watch status and no new funds qualify.

Chair Noda asked for public comment. There was none.

Board Action

Motion to approve Resolution No. 2021-02 to approve removal of the TIAA-CREF High Yield Bond Fund and the PIMCO Income Fund from watch status.

MOTION:	Member Whitaker	SECONDED:	Member Martin
AYES:	Members Whitaker, Ajose, Acosta-Salazar, Lizarraga, Martin, Noda		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		

MOTION APPROVED

Board Agenda Item Number Five
Marketing Update for ScholarShare 529

Mr. Doug Harrison, TFI, presented TFI's Q1 2021 Marketing Results for the Plan, highlighting marketing results for the first quarter of 2021 and outlining the marketing activities completed. Mr. Harrison also provided the Board with an update on recent demographic information, following a request at the prior SIB meeting. Ms. Yvette Haring, TFI, provided an update on recent employer outreach efforts.

Chair Noda asked for public comment. There was none.

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

Ms. Linda English, TFI, presented TFI's Administrative Performance Report for the Plan for first quarter 2021 relative to pre-established performance criteria and reported that TFI did not underperform in any of the performance areas.

Chair Noda asked for public comment. There was none.

Public Comment

Chair Noda called for public comment. There was none.

There being no further business before the Board, the Chair adjourned the meeting at 2:58 PM.