
MARCH 28, 2022

**AGENDA ITEM 3
ACTION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Resolution to Approve Amendment to Agreement No. SIB 05-21 with TIAA-CREF Tuition Financing, Inc. for Program Management Services

Recommendation

ScholarShare Investment Board (SIB or Board) staff recommend the Board adopt Resolution No. 2022-08 approving an amendment to Agreement No. SIB 05-21 (Contract) with TIAA-CREF Tuition Financing, Inc. (TFI) for program management services for ScholarShare 529 (Plan).

Background

Pursuant to the Contract, TFI currently provides program management services for ScholarShare 529 (Plan). These services include maintaining and managing investments, performing administration and customer service, and providing marketing of the Plan.

The California Kids Investment and Development Savings Program (CalKIDS or Program), administered by SIB, was established in July 2019 and significantly expanded in July 2021. CalKIDS is currently in development and preparing for launch in summer 2021. Pursuant to statute, the Board has the authority to enter into contracts necessary for the implementation and administration of the Program, which includes a number of responsibilities related to managing investments, administration and customer service, and marketing.

In reviewing the statutory requirements, the goals and objectives for the Program, and the services necessary for the administration of the Program, SIB staff has determined that TFI, in its role as existing Plan manager, can provide the Board with its current infrastructure and the services required for the immediate and successful implementation and launch of the Program in summer 2022. Therefore, SIB staff recommends that the Board authorize the Executive Director of SIB to approve an amendment to the Contract to include additional services related to the administration of CalKIDS, including but not limited to, financial management and distribution of funds, reporting, marketing and communication, and operational support.

Presenters

Julio Martinez, Executive Director, ScholarShare Investment Board
Stanley Zeto, Deputy Executive Director, ScholarShare Investment Board
Noah Lightman, Manager, CSA Initiatives, ScholarShare Investment Board

RESOLUTION NO. 2022-08

RESOLUTION OF THE SCHOLARSHARE INVESTMENT BOARD RELATING TO THE APPROVAL TO AN AMENDMENT TO AGREEMENT NO. SIB 05-21 WITH TIAA-CREF TUITION FINANCING, INC. FOR PROGRAM MANAGEMENT SERVICES

WHEREAS, the ScholarShare Investment Board (“SIB” or the “Board”) was created under Education Code section 69980 et seq. (the “Golden State ScholarShare Trust Act” or “Act”);

WHEREAS, the California Kids Investment and Development Savings Program (“CalKIDS” or the “Program”) and CalKIDS fund are established pursuant to Education Code sections 69996.1 and 69996.9, respectively;

WHEREAS, the Board, pursuant to Education Code section 69996.1, shall administer the Program for the purposes of expanding access to higher education through savings;

WHEREAS, the Board, pursuant to Education Code section 69996.4(b), has authority to make and enter into contracts necessary for the implementation and administration of the Program;

WHEREAS, the Board, pursuant to Education Code section 69981(c)(10), may authorize the executive director of the Board (“Executive Director”) to enter into contracts on behalf of the Board or conduct any business necessary for the efficient operations of the Board;

WHEREAS, the Board, pursuant to Education Code sections 69996-69996.9, shall provide for a number of responsibilities, including but not limited to, managing investments, administration and customer service, and marketing, in administering the Program.

WHEREAS, the Board has an existing contract, Agreement No. SIB 05-21 (the “Agreement”), with TIAA-CREF Tuition Financing, Inc. (“TFI”) for program management services for ScholarShare 529, California’s 529 college savings plan, (the “Plan”), which includes maintaining and managing investments, performing administration and customer service, and providing marketing; and

WHEREAS, TFI, as existing Plan manager, can provide the Board with its current infrastructure and the services required for the immediate and successful implementation and launch of the Program.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to execute necessary documents and take whatever steps necessary to obtain all required approvals for an amendment to the Agreement with TFI to include additional services related to administration of CalKIDS.

Attest: _____
Chairperson

Date of Adoption: _____