

**MINUTES
SCHOLARSHARE INVESTMENT BOARD**

JUNE 26, 2019

Chair Fiona Ma called the meeting to order at 1:00 PM.

Present:

Members: Fiona Ma, State Treasurer, Chair
Gayle Miller for Keely Martin Bosler, Director, Department of Finance
David Sapp for Karen Stapf Walters, Executive Director,
State Board of Education
Angela Acosta-Salazar, Senate Rules Committee Appointee

Absent: Hal Geiogue, Governor Appointee, California Student Aid Commission
David Lizarraga, Speaker Appointee
Paul Martin, Governor Appointee – Member at Large

Present:

Staff: Julio Martinez, Executive Director, ScholarShare Investment Board
(SIB or Board)
Stanley Zeto, Deputy Executive Director, SIB
Robert Smith, Manager, SIB
Diana Sanchez, SIB
Rachell Owen-Reinwald, SIB
Audrey Noda, Deputy Treasurer, State Treasurer's Office (STO)
Ravinder Kapoor, Senior Attorney, STO

Consultants: Eric White, Executive Vice President, Meketa Investment Group, Inc. (Meketa)
Andrea Feirstein, Managing Director, AKF Consulting Group (AKF)
via teleconference
Soohyang Lee, Vice President, AKF
via teleconference

TFI: Linda English, Senior Director, TIAA Tuition Financing, Inc. (TFI)
Doug Harrison, Senior Director, Marketing and Sales, TFI
Glenn Friedman, Manager, TFI

Chair Ma declared a quorum present.

**Board Agenda Item Number One
Approval of Minutes from April 4, 2019 ScholarShare Investment Board Meeting**

The minutes for the April 4, 2019 ScholarShare Investment Board (SIB or 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 April 4, 2019 SIB meeting.

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| MOTION: | Member Miller | SECONDED: | Member Acosta-Salazar |
| AYES: | Members Miller, Sapp, Acosta-Salazar, Ma | | |
| NOES: | None | | |
| ABSTAIN: | None | | |
| RECUSE: | None | | |

MOTION APPROVED

Board Agenda Item Number Two Executive Director's Report

Mr. Stan Zeto, SIB, provided updates on accounts and assets for ScholarShare 529 (Plan), and recently executed contracts and purchase orders. Mr. Julio Martinez, SIB, provided program updates as well as updates on current federal and state legislation. Mr. Robert Smith, SIB, provided updates on marketing and outreach.

Treasurer Ma provided highlights on recent discussions about children's savings accounts (CSAs) and the recently approved CSA programs signed by the Governor, noting some proposed recommendations on CSA-related items for discussion and consideration moving forward. Treasurer Ma also updated the Board on her visits to the winning schools for the Scholar Dollars program, outlining some of the feedback received for consideration for subsequent programs. Mr. Martinez stated that SIB staff would review comments and feedback and look forward to further discussion on these programs. Additionally, Treasurer Ma inquired about general branding for the Plan including its name and inquired about other state 529 plans to which Mr. Doug Harrison, TFI, responded they would gather more information and report back.

Chair Ma asked for public comment. There was none.

Board Agenda Item Number Three Review and Analysis of Investment Performance for ScholarShare 529 for First Quarter 2019

Mr. Glenn Friedman, TFI, presented TFI's Investment Performance Report for the Plan for first quarter 2019 comparing each underlying fund allocated to the portfolios in the Plan to applicable benchmark. Mr. Friedman responded to questions from Board members regarding performance and risk profiles for the funds.

Mr. White presented Meketa's Investment Performance Status Report for the Plan for first quarter 2019 and outlined Meketa's recommendation that the fund currently on "watch" status, TIAA-CREF Social Choice Equity Fund (Fund), remain on "watch" status. Mr. White also provided an update on the status of the benchmark review for the Fund.

Chair Ma asked for public comment. There was none.

**Board Agenda Item Number Four
Marketing Update for ScholarShare 529**

Mr. Doug Harrison, TFI, presented TFI's Marketing Update for the Plan, outlining marketing results through the first quarter of 2019 and highlighting various activities utilized to promote the Plan. Mr. Harrison also provided an update on upcoming marketing activities and responded to questions and comments from Board members regarding other outreach opportunities, micro targeting and data collection, and messaging.

Chair Ma asked for public comment. There was none.

**Board Agenda Item Number Five
Review of Administrative Performance for ScholarShare 529 for First Quarter 2019**

Ms. Linda English, TFI, provided an update on the status of the upcoming investment portfolio change planned for fall 2019.

Ms. English presented TFI's Administrative Performance Report for the Plan for first quarter 2019 relative to pre-established performance criteria and reported that TFI met the performance criteria in all areas.

Chair Ma called 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 3:01 PM.