

**MINUTES  
SCHOLARSHARE INVESTMENT BOARD**

**June 23, 2016**

Chair Grant Boyken called the meeting to order at 1:00 PM.

***Present:***

Members: Grant Boyken for John Chiang, State Treasurer  
Eraina Ortega for Michael Cohen, Finance Director, Department of Finance  
David Sapp for Karen Stapf Walters, Executive Director,  
State Board of Education  
Hal Geiogue, Governor Appointee, California Student Aid Commission  
Christopher Jennings, Speaker Appointee  
Rhonda Johnson, Senate Rules Committee Appointee

***Present:***

Staff: Julio Martinez, Executive Director, ScholarShare Investment Board  
(SIB or Board)  
Stanley Zeto, Deputy Executive Director, SIB  
Mario Sierras, Manager, SIB  
Roxanne Anderson, SIB  
Brian Gorban, SIB  
Joyce Eriksson, SIB  
Deborah Yang, Senior Attorney, STO

Consultants: Eric White, Principal, Pension Consulting Alliance, LLC (PCA)  
Andrea Feirstein, Managing Director, AKF Consulting Group (AKF)  
via teleconference

TFI: Jeremy Thiessen, Senior Director, TIAA-CREF Tuition Financing, Inc. (TFI)  
Vivian Tsai, Senior Director, Education Savings, TFI  
Don Wolf, Senior Director, Marketing and Sales, TFI

Chair Boyken declared a quorum present.

**Board Agenda Item Number One**  
**Approval of Minutes from March 17, 2016 ScholarShare Investment Board Meeting**

The minutes for the March 17, 2016 SIB meeting were presented to the Board.

Chair Boyken asked for public comment. There was none.

**Board Action**

Motion to approve the minutes for the March 17, 2016 ScholarShare Investment Board meeting.

MOTION:	Member Geiogue	SECONDED:	Member Jennings
AYES:	Members Boyken, Geiogue, Jennings, Johnson, Ortega, Sapp		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		

MOTION APPROVED

**Board Agenda Item Number Two**  
**Executive Director's Report**

Mr. Stanley Zeto, SIB, provided updates on the accounts and assets for the ScholarShare College Savings Plan (Plan).

Mr. Julio Martinez, SIB, provided an update on the quarterly 529 performance rankings for direct-sold 529 plans and also provided updates on state and federal legislation.

Mr. Mario Sierras, SIB, provided recent marketing and outreach highlights, and reported on the contracts and service orders recently signed. Mr. Sierras also provided an update on the Governor's Scholarship Programs.

Mr. Martinez stated that changes to the ScholarShare Outreach and Public Education Plan would be presented to the Board at the September meeting, identifying shifts in focus on marketing and outreach strategies. Chair Boyken added that the Treasurer is requesting measurement of effective marketing and outreach tools.

Chair Boyken asked for public comment. There was none.

**Board Agenda Item Number Three**  
**Review and Analysis of Investment Performance for the ScholarShare College Savings Plan for First Quarter 2016 and Resolution to Approve Placement of the TIAA-CREF Bond Index Fund on Watch Status**

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Mr. Jeremy Thiessen, TFI, presented TFI's Investment Performance Report for the Plan for first quarter 2016 comparing each underlying fund allocated to the portfolios in the Plan to applicable benchmark.

Mr. Eric White, PCA, presented PCA's Investment Performance Status Report for the Plan for first quarter 2016 and outlined PCA's recommendation that the two funds currently on "watch" status, the PIMCO Income Fund and the PIMCO Real Return Fund, remain on "watch" status. Mr. White also reported that PCA recommends that the TIAA-CREF Bond Index Fund be placed on "watch" status for not meeting the Plan's investment performance criteria.

Chair Boyken asked for public comment. There was none.

Board Action

Motion to approve Resolution No. 2016-02 approving placement of the TIAA-CREF Bond Index Fund on "watch" status.

MOTION:	Member Ortega	SECONDED:	Member Sapp
AYES:	Members Boyken, Geiogue, Jennings, Johnson, Ortega, Sapp		
NOES:	None		
ABSTAIN:	None		
RECUSE:	None		

MOTION APPROVED

**Board Agenda Item Number Four**  
**Marketing Update for the ScholarShare College Savings Plan**

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Mr. Don Wolf, TFI, presented TFI's Marketing Update for the Plan, detailing marketing results through the first quarter of 2016 and the marketing activities planned for the remainder of the year. The update included an overview of the account and asset results, 2016 budget, and past and current marketing activities.

Mr. Wolf responded to inquiries from the Board about website performance issues, and other public relations initiatives.

Chair Boyken asked for public comment. There was none.

**Board Agenda Item Number Five**  
**Review of Administrative Performance for the ScholarShare College Savings Plan for**  
**First Quarter 2016**

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Ms. Vivian Tsai, TFI, presented TFI's Administrative Performance Report for the Plan for first quarter 2016 and reported that TFI did not underperform (by more than two percent) in any of the performance areas.

Ms. Tsai responded to the Board's inquiries regarding call center activities.

**Public Comment**

Chair Boyken called for public comment. There were none.

There being no further business before the Board, the Chair adjourned the meeting at 2:16 PM.