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**DECEMBER 13, 2012**

**AGENDA ITEM 3**  
**ACTION ITEM**

**SCHOLARSHARE INVESTMENT BOARD**

*Resolution to Approve Amendment to Agreement No. SIB 10-10 with Pension Consulting Alliance, Inc. for Investment Consulting Services*

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***Recommendation***

Staff recommends that the Board adopt Resolution No. 2012-06 authorizing the Executive Director to approve an amendment to Agreement No. SIB 10-10 (Contract) for investment consulting services to extend the term for one additional year and to increase the maximum amount of the Contract to ensure sufficient funds are available during the extension term of the Contract.

***Background***

An investment consultant advises the ScholarShare Investment Board (SIB or Board) on a variety of matters related to its fiduciary duties and investment decisions. Additionally, the investment consultant provides ongoing oversight of investment performance, conducts quarterly investment performance reviews, and recommends changes to investment policies.

In 2011, the Board contracted with Pension Consulting Alliance, Inc. (PCA) for investment consulting services. The Contract, is for two years and is scheduled to expire on April 16, 2013. SIB has reviewed PCA's performance over the duration of the Contract pursuant to criteria identified in the Contract. There continues to be a need for an investment consultant to assist the Board in administering the ScholarShare College Savings Plan (Plan) and PCA has met the performance criteria outlined in the Contract. SIB staff recommends that the Board adopt Resolution No. 2012-06, which authorizes the Executive Director to approve a contract amendment with PCA to extend the contract for one additional year, expiring on April 16, 2014, and to increase the maximum amount of the Contract to ensure sufficient funds are available. All rates for the extension period shall not exceed the rates as stated in the Contract with the total Contract amount not to exceed \$363,750.

***Presenter***

Stanley Zeto, Manager, ScholarShare Investment Board

## **RESOLUTION NO. 2012-06**

### **RESOLUTION OF THE SCHOLARSHARE INVESTMENT BOARD RELATING TO THE APPROVAL OF A CONTRACT AMENDMENT WITH PENSION CONSULTING ALLIANCE, INC. FOR INVESTMENT CONSULTING SERVICES**

**WHEREAS**, the ScholarShare Investment Board (the “Board”) is authorized by the California Education Code Section 69981 (c)(2) to enter into agreements or contracts necessary to carry out the powers of the Board; and

**WHEREAS**, the Board, per Education Code Section 69982(b), has authority to contract for goods and services and engage personnel as necessary for the purpose of rendering professional, managerial, and technical assistance and advice to the Board; and

**WHEREAS**, the Executive Director is authorized by the California Education Code Section 69981(c)(10) to enter into contracts on behalf of the Board; and

**WHEREAS**, an investment consultant is needed to provide the Board with knowledge pertaining to investment markets, vehicles, performance, trends, and policies, as well as assisting the Board in upholding its fiduciary responsibilities to ScholarShare program participants; and

**WHEREAS**, the term of the Board’s current contract, Agreement No. SIB 10-10 (the “Agreement”), with Pension Consulting Alliance, Inc. for investment consulting services for the Board expires on April 16, 2013; and

**WHEREAS**, Pension Consulting Alliance, Inc. has met the performance criteria outlined in the Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, that the Executive Director is hereby authorized to negotiate, execute necessary documents, and take whatever steps are necessary to obtain all required approvals for a contract amendment with Pension Consulting Alliance, Inc. to extend the term of the Agreement for one additional year, expiring on April 16, 2014, and to increase the maximum amount of the Agreement to \$363,750 to ensure sufficient funds are available during the extension term of the Agreement.

Attest: \_\_\_\_\_  
Chairperson

Date of Adoption: \_\_\_\_\_