

**MINUTES
SCHOLARSHARE INVESTMENT BOARD**

OCTOBER 22, 2024

Chair Stephanie Tom called the meeting to order at 11:04 AM.

ScholarShare Investment Board Members Present:

- Stephanie Tom for Fiona Ma, State Treasurer, Chair
- Michele Perrault for Joe Stephenshaw, Director, Department of Finance
- Lisa Constancio for Brooks Allen, Executive Director, State Board of Education
- Angela Acosta-Salazar, Senate Rules Committee Appointee (via teleconference)
- Catalina Cifuentes, Governor Appointee (via teleconference)
- Paul Martin, Governor Appointee (via teleconference)

ScholarShare Investment Board Members Absent:

- David Lizarraga, Speaker Appointee

ScholarShare Investment Board Staff Present:

- Cassandra DiBenedetto, Executive Director
- Stanley Zeto, Deputy Executive Director
- Noah Lightman, Manager, CSA Initiatives
- Jose Quiaoit, Manager
- Mario Sierras, Manager
- Gloria Pulido, Manager (via teleconference)
- Aaron Lester, Program Analyst (via teleconference)
- Diane Lim, Program Analyst
- Humphrey Manacsa, Program Analyst
- James Millward, Program Analyst (via teleconference)
- Maci Fisher, Office Technician
- Alara Michenfelder, Student Intern

State Treasurer's Office Staff Present:

- Monica Jimenez, Senior Attorney
- Ethan Caudillo, Administrative Assistant II

ScholarShare Investment Board Consultants Present:

- Kay Ceserani, Managing Principal / Consultant, Meketa Investment Group, Inc. (Meketa) (via teleconference)
- Aysun Kilic, Managing Principal / Consultant, Meketa
- Andrea Feirstein, Managing Director, AKF Consulting Group (via teleconference)

ScholarShare 529 Plan Manager, TIAA-CREF Tuition Financing, Inc., Present:

- Linda English, Senior Director
- Douglas Harrison, Senior Director, Marketing
- Kristin Murphy, Director, Marketing
- Yvette Haring, Director
- Jordan Jones, Investment Analyst (via teleconference)

ScholarShare Investment Board Contractors Present:

- Carol Gleeson, President/CEO, Gleeson Digital Strategies (Gleeson)
- Otilia Bretan, Media Director, Gleeson

Agenda Item No. 1
Call To Order and Roll Call

Chair Tom declared a quorum present.

Agenda Item No. 2
Approval of Minutes from July 29, 2024 ScholarShare Investment Board Meeting

The minutes for the July 29, 2024 ScholarShare Investment Board (SIB or Board) meeting were presented to the Board.

Chair Tom asked for public comment. There was none.

Board Action

Motion to approve the minutes for the July 29, 2024 SIB meeting.

MOTION:	Member Perrault	SECOND:	Member Constancio
AYES:	Members Perrault, Constancio, Cifuentes, Martin, Tom		
NOES:	None		
ABSTAIN:	Member Acosta-Salazar		
ACTION:	MOTION PASSED		

Agenda Item No. 3
Resolution to Appoint an Executive Director for the ScholarShare Investment Board

Resolution No. 2024-08 was presented to the Board appointing Cassandra DiBenedetto as Executive Director for SIB. The Board was in agreement and concurred with the recommendation.

Chair Tom asked for public comment. There was none.

Board Action

Motion to approve Resolution No. 2024-08, approving the appointment of Cassandra DiBenedetto as Executive Director for SIB.

MOTION:	Member Perrault	SECOND:	Member Constancio
AYES:	Members Perrault, Constancio, Acosta-Salazar, Cifuentes, Martin, Tom		
NOES:	None		
ABSTAIN:	None		
ACTION:	MOTION PASSED		

**Agenda Item No. 4
Executive Director’s Report**

Stanley Zeto, SIB, provided updates on accounts, contributions, and assets for ScholarShare 529 (Plan), federal and state legislation, and recently executed contracts and marketing purchase orders. Mr. Zeto also provided general program updates, highlighting recent SIB staff changes, the 2024 Morningstar ratings process and meeting, and recently distributed annual reports.

Jose Quiaoit, SIB, provided marketing and outreach highlights, including updates on new partnerships, statewide outreach and education activities, and the summer promotion.

Chair Tom asked for public comment. There was none.

**Agenda Item No. 5
Update on the California Kids Investment and Development Savings Program**

Noah Lightman, SIB, provided an update on the California Kids Investment and Development Savings Program (CalKIDS), including an overview of participation results, distributions, call center and website analytics, and program outreach. Mr. Lightman highlighted the High School Senior spring campaign and the recently completed Back-to-School fall campaign. Mr. Lightman also responded to Member Acosta-Salazar’s inquiry about financial literacy initiatives.

Chair Tom asked for public comment. There was none.

**Agenda Item No. 6
Resolution to Enter into Agreement(s) with Covered California for Incentives to Eligible California Kids Investment and Development Savings Program Accounts**

Mr. Lightman presented an overview of the item and SIB staff’s recommendation that the Board adopt Resolution No. 2024-09, authorizing the Executive Director to enter into agreement(s) with Covered California for incentives to eligible CalKIDS accounts. Member Perrault commended the work on this collaboration with Covered California.

Chair Tom asked for public comment.

A member of the public provided a comment (via teleconference) commending the collaboration with Covered California.

Board Action

Motion to adopt Resolution No. 2024-09 to authorizing the Executive Director to enter into agreement(s) with Covered California for incentives to eligible CalKIDS accounts.

MOTION:	Member Perrault	SECOND:	Member Constancio
AYES:	Members Perrault, Constancio, Acosta-Salazar, Cifuentes, Martin, Tom		
NOES:	None		
ABSTAIN:	None		
ACTION:	MOTION PASSED		

Agenda Item No. 7
Review and Analysis of Investment Performance for ScholarShare 529

Jordan Jones, TIAA-CREF Tuition Financing, Inc. (TFI), presented TFI’s Investment Performance Report for the Plan for second quarter 2024, comparing each portfolio and underlying fund allocated to the portfolios in the Plan to applicable benchmarks.

Aysun Kilic, Meketa Investment Group, Inc. (Meketa), presented Meketa’s Investment Performance Status Report and Watch Memo for the Plan for second quarter 2024. Ms. Kilic and Mr. Zeto responded to Chair Tom and Member Perrault’s inquiry about the criteria needed for a fund to be placed on watch and how long a fund can remain on watch.

Chair Tom asked for public comment.

A member of the public provided comments (via Zoom) regarding the make-up of the Plan’s existing environmental, social, and governance (ESG) investment options. A member of the public provided comments (in person) requesting consideration from the Board to offer alternative fossil fuel-free investment options in the Plan. Ms. Kilic responded to these comments, providing background on ESG investment options. A member of the public provided comments (via Zoom) also requesting consideration from the Board to offer alternative fossil fuel-free investment options in the Plan.

Agenda Item No. 8
Marketing Update for ScholarShare 529 and the California Kids Investment and Development Savings Program

Doug Harrison and Yvette Haring, TFI, presented TFI’s Q2 2024 Marketing Results for ScholarShare 529 and CalKIDS, highlighting key marketing and outreach results and activities during second quarter 2024, including completed campaigns and the workplace savings program. Mr. Harrison agreed to Member Martin’s request to explore integrating images of

parents and/or children with disabilities in marketing materials, such as the Plan website, and responded to Member Martin's inquiry regarding reporting of usage of the Plan website's accessibility features.

Carol Gleeson, Gleeson Digital Strategies (Gleeson), presented Gleeson's April to June 2024 Campaign Performance Review, highlighting the CalKIDS paid media campaign completed in second quarter 2024.

Chair Tom commented on TFI's efforts to increase account owner diversity and inquired about details on English and Spanish audience involvement to which Ms. Gleeson responded. In addition, Mr. Lightman responded to Chair Tom's inquiry regarding program engagement among college freshmen.

Chair Tom asked for public comment.

A member of the public provided a comment (via Zoom) supporting the previous public comments provided regarding the consideration of offering fossil fuel-free investment options in the Plan.

Agenda Item No. 9 Review of Administrative Performance for ScholarShare 529

Linda English, TFI, presented TFI's Administrative Performance Report for the Plan for second quarter 2024 relative to pre-established performance criteria and reported that TFI did not underperform in any of the performance areas.

Public Comment

Chair Tom called for public comment.

A member of the public provided comments (via Zoom) commending the creativity of the marketing efforts and dedication to the program and noting additional support for fossil fuel-free investment options in the Plan. An additional member of the public provided a comment (attending via teleconference) acknowledging the desire to offer fossil fuel-free investment options in the Plan versus the challenges in implementing such options. Finally, a public comment received in the Zoom chat from a representative from Fossil Free California was read, concurring with the previous public comments about offering fossil fuel-free investment options in the Plan.

There was no further business before the Board. The Chair adjourned the meeting at 12:39 PM.

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