

# CSUSB FOUNDATION

*Building a Culture of Philanthropy*

## **Investment Committee Meeting**

Thursday, September 14, 2023

9:00 a.m.

CSUSB, On-Campus

Administration Building, AD-127

## **MINUTES**

**Members Present:** Gary McBride (Chair), Monica Alejandre, Carson Fajardo, Robert Nava, Thomas Pierce, William Stevenson, Edward Teyber, Ellen Weisser

**Members Absent:** Johnny Davis, Samuel Sudhakar

**Guests Present:** Maria Badulis, Mike Breller, Estefania Vazquez, Tom Trine, Steven Spare

### **Welcome**

Investment Committee Chair, Gary McBride, called the meeting to order at 9:02 a.m.

**Motion:** The minutes for the May 18, 2023, and the July 3, 2023 special investment meeting were approved as distributed. (Stevenson/Pierce/Unanimous)

### **2<sup>nd</sup> Quarter Portfolio Performance and Discussion**

Mike Breller presented the 2<sup>nd</sup> quarter portfolio performance. The total market value across the portfolio is over \$51 million, this includes short-term investments and the endowment. Financial conditions have eased during the second quarter, with the stock market up and stock market volatility decreasing, countering the increase in interest rates.

Breller provided an overview of the portfolio. Attention was brought to U.S. inflation and the Fed's target of 2%. Furthermore, the committee discussed international and domestic equity performance, asset allocation, and the internal rate of return (IRR).

### **Investment Policy Statement**

The committee reviewed the Investment Policy Statement (IPS). Breller noted the IPS was last modified in 2020. The committee brought up the NACUBO report and questioned whether the report needs to be included in the IPS.

### **Short-Term Investment**

Tom Trine, Senior Vice President and Head of Trust Services at Citizens Trust, along with Steve Spare, one of Citizens Trust's senior portfolio managers, delivered a presentation on short-term investments. Based on the Foundation's investment objectives, guidelines, and investment thesis, Citizens Trust recommended to the committee an investment strategy involving a mix of US government securities. To move forward, CitizensTrust recommended changing the language of the Foundation's Investment Policy Statement (IPS) in its liquidity management strategy, to

include explicitly or implicitly as this will enable them to purchase government agency bonds. The committee approved the suggestion and will forward the revised IPS to initiate the investment process.

**Consulting Services for Investment Committee**

Monica Alejandre brought to the committee a recommendation to hire a firm to do consulting services for the investment committee. The work of the consulting services would be split into two phases. Phase one will consist of providing fiduciary education to the committee on best practices associated with different approaches to managing investments and the firm will be conducting a historical performance analysis. Phase two will evaluate and select the investment consultant through an RFP process.

**Motion:** The Investment Committee approved the hiring of a firm for consulting services and will bring forward the recommendation to the Executive Committee for final approval. (Stevenson/Teyber/Unanimous)

**Open Discussion**

The committee briefly addressed the challenging decision made by the CSU Trustees to approve the tuition increase proposal and discussed its implications for all students. On a positive note, it was announced that the Trustees have given their endorsement for the construction of a student service building at the Palm Desert Campus, with the groundbreaking scheduled for next year.

Ellen Weisser commented on the excellence of this meeting.

Meeting adjourned at 11:00 am.

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**Approval of Minutes  
Investment Committee Meeting  
Thursday, September 14, 2023  
CSUSB, On-Campus  
Administration Building, AD-127**

Signature: Monica Alejandre

Date: 11/17/2023

Print Name: Monica Alejandre

Board Position: Secretary