INVESTMENT MEETING
Friday, February 21, 12:00 PM
UEC-102

Minutes

Members Present:                  Gary McBride, Investment Committee Chair
                                    Douglas Freer, Treasurer
                                    Robert Nava, Executive Director
                                    Thomas Pierce
                                    Kristy Robles, ASI
                                    William M. Stevenson
                                    Ed Teyber
                                    Ellen G. Weisser, Chair

Others Present:                   Monica Alejandre
                                    Mimi Badulis
                                    Mike Breller
                                    Michelle Cazares

Members Absent:

A.  Welcome
    McBride called the meeting to order at 12:10 PM

B.  Approval of the Minutes
    Motion: The minutes of the November 8, 2019 Investment Committee meeting were approved.
    *(Stevenson/Teyber/Unanimous).*

C.  Investment Policy Statement
    Breller reviewed the Investment Policy Statement and recommended shifting the objective of
    the portfolio mix benchmark. The return objective will be changed to: The return objective for
    the total fund will be to outperform a custom benchmark made up of 65% MSCI ACWI Index and
    35% Bloomberg Barclays Global Aggregate Bond Index over a complete market cycle of 5-7
    years. The risk statement will read: The total portfolio should experience less risk commensurate
    with the standard deviation than that of a custom benchmark made up of 65% MSCI ACWI Index
    and 35% Barclays Global Aggregate Bond Index over a complete market cycle.
Motion: Amendment to the Investment Policy Statement (IPS) objective for risk and return as recommended by Beacon Pointe. (Teyber/Pierce/Unanimous).

The new IPS will include the following verbiage: The return objective set out by the Investment Policy Statement is to outperform the custom benchmark made up of 65% MSCI ACWI and 35% Barclays Capital Aggregate Bond Index over a complete market cycle of 5-7 years. Beacon Pointe expects their managers to preserve capital in downmarkets and over the long term outperform over a full market cycle.

D. 4th Quarter Portfolio Performance

Breler brought up the discussion on where the short-term funds should be directed, and he and Alejandre suggested that perhaps a larger approach be proposed after a deep dive into the funds. Nava mentioned that in the coming weeks, he, the AVP for Development and Alejandre will be meeting with the campus deans to review endowments, funds and scholarships. The committee will also review any short-term investments to see if they fall within their purview. Nava mentioned that if there are any endowments that fall in between the $10,000 and $5,000 threshold, that it may worth considering whether to pool those funds into a larger endowment, pending review of any donor agreements. The committee agreed to discuss at a later meeting.

E. Open Discussion

Breler makes the announcement that Beacon Pointe has made a merger transition, which results in no changes in terms of service and consulting, but it’s more in terms of employee ownership that has changed. Alejandre provided a handout on CSUSB Endowments as a visual aid of how the values have changed since 2015.

F. Adjourn at 1:51pm