

CSUSB FOUNDATION

Building a Culture of Philanthropy

INVESTMENT MEETING

May 3, 2018, 2:00 p.m.

Administration Conference Room, AD-127

Minutes

Members Present:

Andrea Davalos

Douglas Freer, *Treasurer*

Ronald Fremont, *Executive Director*

Thomas Pierce

William M. Stevenson, *Investment Committee Chair*

Edward C. Teyber

Ellen G. Weisser, *Chair*

Others Present:

Mike Breller

Anabel Castaneda

Connor Dickson

Garth Flint

Lisa Iannolo

Members Absent:

Monir Ahmed

Monica Alejandre

Gary McBride

Tomás Morales, *President*

Kim Shiner

A. Welcome

Stevenson called the meeting to order at 2:05 p.m.

B. Approval of the Minutes

Motion: The minutes of the February 27, 2018 Investment Committee meeting were approved. *(Teyber/Davalos/Unanimous).*

C. Open Discussion

Stevenson invited the committee to discuss portfolio status. Members of the committee discussed a new line item that appeared in the portfolio under Total Composite as InvestorForce Education E&F < \$50mm Net Rank with a rank of 64 since inception. The committee agreed to request clarification from Beaconpointe.

Pierce expressed a general concern over the committees' statement or purpose to protect the downside and outperform with better than average returns in the market. Teyber added that the committee should revise the statement of purpose in the investment policy. Freer agreed and expressed that the assumed priority was to protect against the downside and trade up some of the upside to protect our ability to fund scholarships for students.

Teyber expressed concern of St. James' performance. The committee agreed and discussed level of confidence in advising firm. Fremont added that an RFP would serve as business practice to ensure we fulfill the fiduciary responsibility of the organization in line with the maturity and growth of the fund. Freer outlined the process of an RFP for the committee.

Motion: Stevenson proposed the CSUSB Philanthropic Foundation Investment Committee begin a Request for Proposals process. *(Teyber/Pierce/Unanimous)*

The committee agreed to establish a series of meetings to define criteria for RFP. The committee will present the motion for approval to the Board of Directors. If approved, the committee will proceed with the RFP process over summer.

The committee agreed to ask Beaconpointe for clarification on InvestorForce Education and alternatives to St. James.

D. 1st Quarter Portfolio Performance and Discussion

Breller informed the committee that InvestorForce is a software utilized to provide a ranking versus E&Fs and clarified that a lower number is better. Breller added that NACUBO studies provide better reference.

Stevenson requested alternative for St. James. Breller recommended moving to FMI to reduce equity targets and large cap value and protect the downside. Breller agreed to provide the committee a markup of FMI versus alternatives large cap value funds.

Motion: Stevenson proposed a withdrawal of funds from St. James: Core Equity to be moved into FMI. *(Weisser/Teyber/Unanimous)*

Breller reviewed the portfolio and highlighted the total composite's earning of 5.5% over ten year period and 3% over inflation.

E. Adjourn

Meeting adjourned at 3:58 p.m.

Signature of Minutes Approval
Investment Committee Meeting

May 3, 2018, 2:00 p.m.

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Signature: Wm. Stevenson Date: 9-4-2018

Print Name: William Stevenson

Board Position: Investment Committee chair