INVESTMENT MEETING
March 2, 2017, 12:00 p.m.
University Enterprises Corporation, Conference Room
UE-102

Minutes

Members Present: Jim Estes
                          Garth Flint
                          Douglas Freer, Treasurer
                          Ronald Fremont, Executive Director
                          Alex Gutierrez
                          Karen Heifferon
                          Gary McBride
                          Thomas Pierce
                          William M. Stevenson, Investment Committee Chair

Others Present: Michelle Cazares
                                Lisa Iannolo
                                Kim Shiner

Members Absent: Monir Ahmed
                             Tomás Morales, President
                             Edward C. Teyber
                             Ellen G. Weisser, Chair

A.          Welcome
                         Stevenson called the meeting to order at 12:04 p.m.

B.          Approval of the Minutes

Motion: The minutes of the November 3, 2016 Investment Committee meeting were approved (Pierce/Stevenson/Unanimous).
C. 4th Quarter Portfolio Performance and Discussion

Flint began the meeting with a recap of year-to-date market performance through December 31, 2016. Flint mentions that the market continues to post positive returns on YTD.

The U.S. Economy grew faster than initially thought, with an upward revision of 3Q2016 GDP to 3.5%. U.S. equity markets posted strong 4th quarter returns while international and emerging market equities posted negative returns. The 4th quarter of 2016 was a difficult environment for fixed income as rates moved up sharply. As anticipated, the U.S. Fed raised interest rates by 25 basis points in December.

The Composite Monthly Performance Analysis for YTD as of January 31, 2017 was 1.7%. Heifferon refers to the asset allocation scenario analysis, and reviews it with the committee. Heifferon and Flint make note of the various Asset Allocation Mixes, and how they compare to the current mix, the NACUBO 25-50 Mix, and a possible customized Mix.

Heifferon and Flint also introduce alternatives, and that they categorize the alternatives into four groups: total return enhancers; real assets; risk reducers; and non-correlated strategies. Heifferon suggests to the committee that if they wish to pursue alternatives, they should discuss which ones they would be interested in, and that Beacon Pointe would then suggest potential managers that they could present to the committee. The committee reiterates that they wish to preserve capital in order to protect scholarships, but are open to portfolio diversification.

Meeting adjourned at 2:05 p.m.
Signature of Minutes Approval
Investment Committee Meeting
Thursday, March 2, 2017, 12:00 p.m.
University Enterprises Corporation, UE-102

Signature: [Signature]
Print Name: William Stevenson
Board Position: Investment Committee Chair

Date: 5-1-17