

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION
INVESTMENT COMMITTEE MEETING
1600 Holloway Avenue, ADM 153L, San Francisco, CA
Thursday, September 7, 2017
1:00 PM - 3:00 PM**

AGENDA

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| I. Call Meeting to Order | Kimberly Brandon |
| II. Review Agenda | Kimberly Brandon |
| III. Approval of Minutes <ul style="list-style-type: none">- October 3, 2016- April 19, 2017- May 11, 2017 | Kimberly Brandon |
| IV. Investment Policy Statement <ul style="list-style-type: none">- MINUTE ACTION: Ratify IPS Language | Ravi Karra |
| V. Asset Allocation Policy Implementation | Ravi Karra |
| VI. Other Business <ul style="list-style-type: none">- Meeting schedule for FY 2017-2018 | Venesia Thompson-Ramsay |
| VII. Adjournment | Kimberly Brandon |

MINUTES

DRAFT
SAN FRANCISCO STATE UNIVERSITY FOUNDATION
INVESTMENT COMMITTEE MEETING MINUTES
PIER 39 Administrative Offices, San Francisco, CA
Monday, October 3, 2016 at 11:30 AM

Chair Kimberly Brandon started the meeting of the Investment Committee at 11:50 AM.

Committee Members Present

Kimberly Brandon, Committee Chair
Robert J. Nava, President
Taylor Safford, Vice Chair
Leona Bridges, Director
Herb Myers, Director
Phil King, Director (via phone)
Neda Nobari, Director
Brent Stranathan, Director (via phone)

Absent and Excused

Ron Cortez, Director

Others Present

Venesia Thompson-Ramsay, Secretary and Treasurer

- I. **Review of Agenda:** The committee reviewed the agenda.
- II. **Approval of May 13, 2016 Meeting Minutes:** The committee reviewed the minutes from the May 13, 2016 meeting. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: that the committee approves the minutes for the May 13, 2016 meeting as prepared.

Motion by: Herb Myers Seconded by: Neda Nobari Motion: Passed

- III. **Subgroup Meeting Update:** Thompson-Ramsay reported that based on direction from the Investment Committee, a subgroup, comprised of herself, committee chair, Kimberly Brandon, Phil King, and Robert Nava met on September 22nd to narrow down the proposals submitted in response to our RFP. She said the subgroup spent about 3 hours reviewing the matrix that summarized the key content of the proposals. Thompson-Ramsay said the subgroup narrowed down the proposals from 38 to 11 based on the following criteria: 1) assets under management (AUM) over \$1 billion; 2) 10 years or more in business; 3) ESG/SRI experience; and 4) fees of 30 bps and under. She said that the purpose of the meeting on October 3rd was to decide on which four out of the 11 firms to invite in for presentations to the Committee.

- IV. **RFP Review:** The Investment Committee identified additional factors for a deeper review of the 11 semi-finalists: These additional factors included 1) investment manager search, evaluation and termination as well as portfolio analytics; 2) performance report, portfolio construction, asset allocation approach; and 3) risk management.
- V. **Firm Selection:** After much discussion, each committee member voted on his/her top four candidates. Based on votes, Cambridge Associates, Commonfund, Vanguard and UBS Financial Services were selected to present before the Committee. The Committee then discussed the following guidelines that each firm was expected to include in its presentation:
1. Staff turnover over the past 5 years, including total turnover, “key” employee clause and team turnover.
 2. Minimum term of engagement.
 3. Portfolio performance benchmarked using NACUBO (looking at like-sized university of \$50 to \$100 million and with a year-to-year comparison for the past 10 years).
 4. A current ESG/SRI portfolio between \$5 and \$50 million that they were currently managing.
 5. Pros and cons of the OCIO or advisor model.
 6. Total fee broken down by management fee, underlying fund fees, etc.
 7. Estimated fee for reporting on the Foundation’s alternative investments, which will be managed separately.

The Committee agreed that the presentations should occur around mid-November after the General Elections, given committee members’ busy schedule.

- VI. **Other Business:** Thompson-Ramsay gave an update on the alternative investments that the Committee voted to close at the May 13th meeting.
- VII. **Adjournment:** There being no further business to discuss, and with Leona making the motion and Taylor seconding the motion, the Investment Committee meeting was adjourned at 1:15 PM.

Respectfully submitted,

Kimberly Brandon, Chair

Date

INVESTMENTS